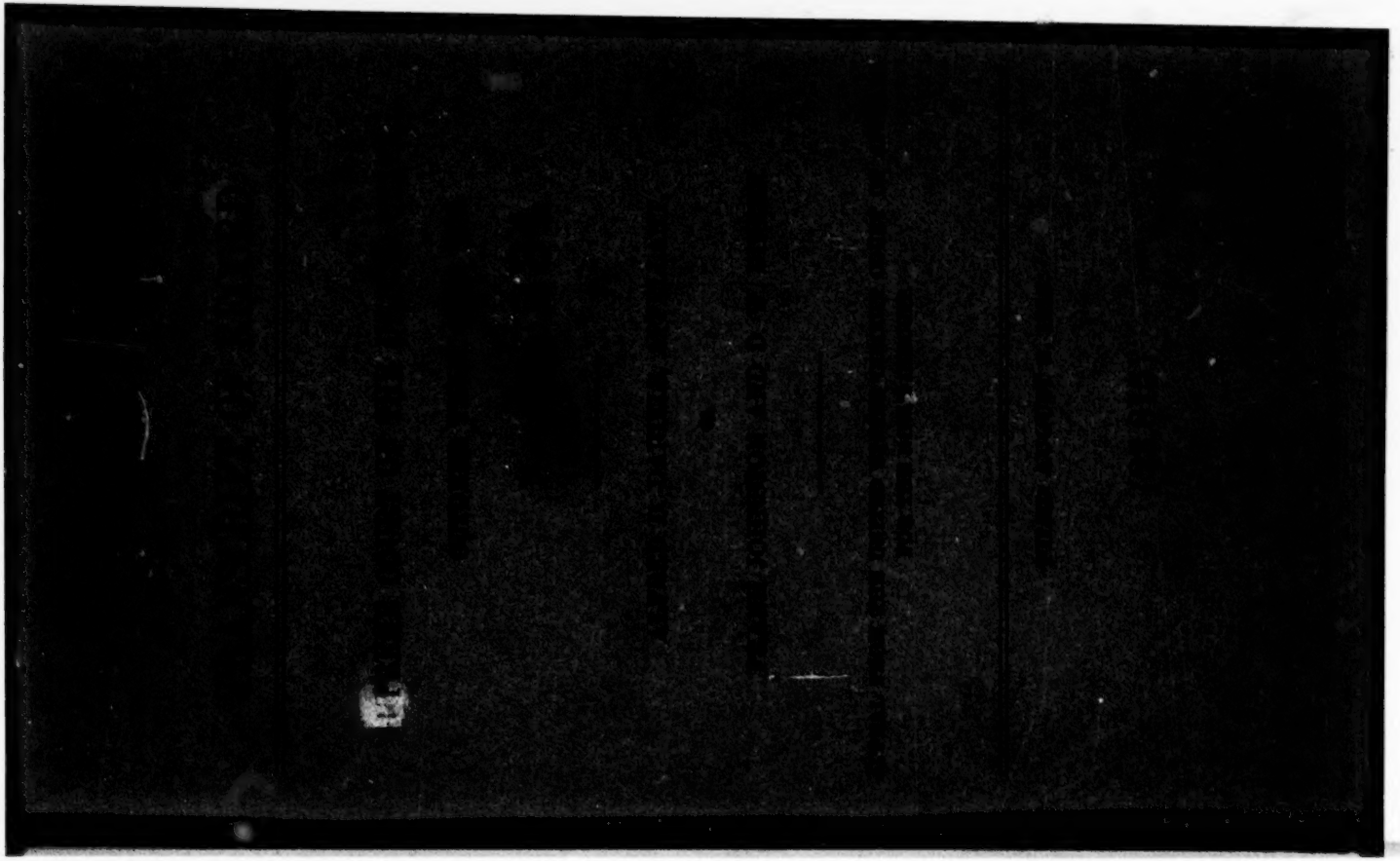

(23,815)

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1913.

No. 664.

ALFRED D. DANIELS, APPELLANT,

vs.

FRANK JOHNSTON AND D. W. DINEEN.

APPEAL FROM THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE NINTH CIRCUIT.

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JUDD & DETWEILER (INC.), PRINTERS, WASHINGTON, D. C., AUGUST 25, 1913.

No. 2212

IN THE

United States Circuit Court of Appeals

NINTH CIRCUIT

ALFRED D. DANIELS,

Appellant,

vs.

FRANK JOHNSTON and D. W. DINEEN,

Appellees.

Upon Appeal from the United States District Court for the District of Oregon

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TRANSCRIPT OF RECORD.

FILED
JAN 2 - 1913
F. D. MONCKTON,
CLERK

IN THE

United States Circuit Court of Appeals

NINTH CIRCUIT

ALFRED D. DANIELS,

Appellant,

vs.

FRANK JOHNSTON and D. W. DINEEN,

Appellees.

Names and Addresses of Attorneys Upon This Appeal:

For the Appellant:

PLATT & PLATT and HUGH MONTGOMERY,
Board of Trade Bldg., Portland, Oregon

For the Appellees:

ANGELL and FISHER,
Fenton Bldg., Portland, Oregon

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In the District Court of the United States for the District of Oregon.

Be it Remembered, That on the 17 day of May, 1912, there was duly filed in the District Court of the United States for the District of Oregon, an Amended Bill of Comlpaint, in words and figures as follows, to wit:

[Amended Bill of Complaint.]

In the District Court of the United States for the District of Oregon.

ALFRED D. DANIELS,

Plaintiff,

vs.

FRANK JOHNSTON and D. W. DINEEN,

Defendants.

TO THE HONORABLE JUDGES OF THE DISTRICT COURT OF THE UNITED STATES IN AND FOR THE DISTRICT OF OREGON:

A. D. Daniels, a citizen and inhabitant of the State of Wisconsin, residing at Rhinelander in said state, with leave of court first had and obtained, brings this, his amended bill of complaint, against Frank Johnston, a resident and inhabitant of the State of Oregon, and residing at Dairy in said state, and D. W. Dineen, a resident and inhabitant of the State of California, and residing at Cloverdale in said state.

And thereupon your orator complains and says:

I.

That at all times herein mentioned plaintiff was and

is a resident and inhabitant of the state of Wisconsin, residing at Rhinelander in said state.

II.

And thereupon your orator further shows unto your Honors:

That at all times herein mentioned defendant, Frank Johnston, was and is a resident and inhabitant of the State of Oregon, residing at Dairy in said state, and that defendant, D. W. Dineen, was and is a resident and inhabitant of the State of California, residing at Cloverdale in said state.

III.

And thereupon your orator further shows unto your Honors:

That on the 12th day of April, 1902, and immediately prior thereto, the Aztec Land and Cattle Company, Ltd., a corporation, was the owner in fee simple, free of any lien or incumbrances, of that certain property located in the Terriotory of Arizona, and particularly described as follows, to wit:

> Section twenty-five, twenty-seven and twenty-nine, township sixteen north, range ten east; and the southeast quarter of section three, township nineteen north, range nine east G. & S. R .M., Arizona,

and was the owner in fee simple of said property described in paragraph III of this amended complaint, up until the 2nd day of February, 1904.

IV.

And thereupon your orator further shows unto your Honors:

That on or about the 12th day of April, 1902, the said described lands, mentioned in paragraph III of this amended bill of complaint, were included within the limits of the San Francisco Mountains Forest Reserves, pursuant to a proclamation of the President of the United States made on or about the 12th day of April, 1902, which said lands were then, and still are, non-mineral lands.

V.

And thereupon your orator further shows unto your Honors:

That on or about the 8th day of February, 1904, that certain property situated within the District of Oregon, located in the County of Klamath in the State of Oregon, and particularly described as follows, to wit:

> The north half of the northeast quarter of section twelve township thirty-seven south, range ten east of Willamette Meridian,

was surveyed, unappropriated, and vacant public land of the United States, returned and characterized upon the official records of the United States as non-mineral land, free and open to entry and settlement under and in accordance with the laws of the United States governing the acquisition of public lands.

VI.

And thereupon your orator further shows unto your Honors:

That on or about the 4th day of June, 1897, the Congress of the United States passed an act entitled: "An act making appropriation for sundry civil ex-

penses of the government, for the fiscal year ending June 30, 1898, and for other purposes:" which act provides, among other things, as follows, to wit:

> "That in cases in which a tract covered by an unperfected bona fide claim, or by patent, is included within the limits of a forest reservation, the settler or owner thereof may, if he desires to do so, relinquish the tract to the government, and may select in lieu thereof a tract of vacant land open to settlement not exceeding in area the tract covered by his claim or patent, and no charge shall be made in such cases for making the entry of record, or issuing the patent to cover the tract selected: Provided further, That in cases of unperfected claims the requirements of the laws respecting settlement, residence, improvements, etc., are complied with on the new claims, credit being allowed for the time spent on the relinquished claim."

VII.

And thereupon your orator further shows unto your Honors:

That on or about the 2nd day of February, 1904, the said Aztec Land and Cattle Company, acting by A. L. Veazie, its attorney in fact, did, in accordance with the provisions and requirements of the Act of Congress of June 4, 1897, set forth in paragraph VI of this amended complaint, relinquish and convey unto the United States of America those certain tracts

of land hereinbefore described in paragraph III of this amended complaint, and recorded the deed of conveyance in the office of the recorder of the county in which the said lands are situated, and subsequently, and on the 8th day of February, 1904, filed with the Register and Receiver of the United States land office at Lakeview, Oregon, the said deed so recorded, together with a full, true and correct abstract of title of the lands so relinquished, duly certified as such by the county recorder of the county in which the lands are situated, which abstract of title showed him to be the owner in fee simple of said lands, free and clear of any lien or incumbrances, immediately prior to the time the deed to the United States was recorded, and thereupon and at the same time selected in lieu of said lands so relinquished,

> The north half of the northeast quarter of section twelve, township thirty-seven south, range ten east of Willamette Meridian,

together with other lands, which selection so made was prior in time to the selection or entry of any other person or persons whomsoever, and, by virtue of said selection, there was initiated a right and interest prior in time and superior in right as against all persons whomsoever.

VIII.

And thereupon your orator further shows unto your Honors:

That regardless of said selection so made as alleged in paragraph VII of this amended complaint, the

defendants did, on October 5, 1906, attempt to make a timber and stone entry upon the land described in paragraph VII of this amended complaint.

IX.

And thereupon your orator further shows unto your Honors:

That on or about the 28th day of June, 1902, the state of Oregon filed upon the said tract so selected, together with certain other lands, certain instruments purporting to be school indemnity lists, which lists were numbered Lists 178 and 188, respectively, which said lists were duly and regularly accepted and filed by the Register and Receiver of the United States land office at Lakeview, Oregon, and thereupon were regularly transmitted to the Commissioner of the General Land Office of the United States government at Washington, D. C., to await the acceptance and approval of the land department of the United States government, but that, owing to the invalid character of the base lands tendered in said lists, the said lists were held for cancellation, and were subsequently cancelled upon relinquishments of said lists filed on behalf of the State of Oregon, on the 8th day of February, 1904.

X.

And thereupon your orator further shows unto your Honors:

That prior to the said cancellation of said school indemnity lists 178 and 188, and before any action whatsoever had been taken by the proper officers of the land department of the United States, except said

Register and said Receiver, relative to the acceptance and rejection of the said indemnity lists, the state of Oregon, acting through the officers of the Oregon state land board, sold to various bona fide purchasers, for value, the timber lands upon which the said school indemnity lists 178 and 188 had been filed, and the said state had not at the time of such sale, nor has it at any time since, ever acquired or owned any right, title, or interest in or to the said lands upon which the said lists were filed, including those lands more particularly described in paragraph V of this amended bill of complaint, which said lands described in said paragraph V were, for a valuable consideration, and in good faith, and without any knowledge whatsoever of the irregularity of the proceedings which had taken place in connection with the sale thereof, or of the invalid character of the base lands which were tendered to the Federal government as the basis for the said selection by the State of Oregon, purchased from the said State of Oregon by the plaintiff herein.

XI.

And thereupon your orator further shows unto your Honors:

That subsequently and upon the discovery of the fact that all the proceedings in connection with the attempt to acquire said lands by filing of said lists 178 and 188, so filed as aforesaid, and more particularly those lands hereinbefore described in paragraph V of this amended bill of complaint, were irregular, and that by virtue of the filing of said lists the State of Oregon had acquired no interest and did not then have

any right, title, or interest in or to the said lands so selected, owing to the invalid character of the base land which had been tendered in exchange therefor, and the further fact that the said selected land had, nevertheless, been sold by the State of Oregon to many innocent purchasers for value, the State of Oregon, acting through the Honorable George E. Chamberlain, its governor, entered into negotiations with the Department of the Interior of the United States, for the purpose of arriving at some arrangement wherein and whereby the interest of these bona fide purchasers from the state might be protected and as a result of such negotiations, and on or about the 17th day of October, 1903, a letter was promulgated and transmitted to the governor of the State of Oregon, by the Honorable Secretary of the Interior of the United States, of which letter the following is in part substantially a copy, to wit:

> "It (the state) may within sixty days allowed for appeal amend its selection by the substitution of a valid base, or, if unable to furnish such a base, it may, upon receipt of notice that the selection is held for cancellation, make a formal relinquishment of the selection, and give same to its grantee. While the selection is of record uncancelled the land is segregated thereby, and no right can be acquired by the presentation of an application therefor (29 L. D. 29), but the purchaser holding the state's relinquishment may present it with his application, and

thereby secure the right of entry."

XII.

And thereupon your orator further shows unto your Honors:

That thereafter and in accordance with the terms of the arrangement thus agreed upon, as evidenced by the said letter of the Secretary of the Interior, the said lieu selection so made as alleged in paragraph VII of this amended bill of complaint was made by the said Aztec Land and Cattle Company, Ltd., a corporation, acting by A. L. Veazie, its attorney in fact, in the interest and for the benefit of the plaintiff herein, and for the purpose of protecting the interests of the plaintiff in and to said selected land acquired by virtue of the purchase so made by the plaintiff from the State of Oregon, as alleged in paragraph X of this amended complaint, and at the time of making said lieu selection so made as alleged in said paragraph VII, and on the 8th day of February, 1904, the said lieu selector, the said Aztec Land and Cattle Company, Ltd., by A. L. Veazie, its attorney in fact, presented, simultaneously with and together with the selection as in paragraph VII of this amended complaint alleged, a relinquishment from the State of Oregon of all its right, title and interest in and to the said selected land, which said relinquishment was made by the State of Oregon in the interest and for the benefit of the plaintiff herein, as grantee, which relinquishment is the same relinquishment referred to in paragraph IX hereof.

XIII.

And thereupon your orator further shows unto your Honors:

That the said forest lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, was in all respects regular and in accordance with the requirements of said Act of Congress of June 4, 1897, set forth in paragraph VI of this amended complaint, and in accordance with the requirements of the Secretary of the Interior in his letter of October 17, 1903, hereinbefore set forth in paragraph XI of this amended bill of complaint, and the local officers of the United States land office at Lakeview, Oregon, did, on the 8th day of February, 1904, accept and file the said lieu selection, so made as aforesaid in paragraph VII of this amended bill of complaint, and did, on the 4th day of March, 1904, and at subsequent dates, attempt to reject said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, and stated, as a basis for said attempted rejection, that the said lieu selection was in conflict with certain homestead and timber and stone applications, which were made subsequently to the 8th day of February, 1904, and subsequently to the presentation and filing of the lieu selection, together with the relinquishment of the State of Oregon, as alleged in paragraphs VII and XII of this amended bill of complaint.

XIV.

And thereupon your orator further shows unto your Honors:

That subsequently, and on or about the 8th day of April, 1904, said lieu selector and the plaintiff herein, together with other lieu selectors who had made other selections in the interest and for the benefit of the plaintiff herein appealed from the ruling of the local officers of the United States land office at Lakeview, Oregon, by which ruling the said local officers attempted to reject the said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, upon which appeal the said ruling was affirmed by the Commissioner of the General Land Office at Washington, D. C., on or about the 30th day of March, 1905, and subsequently, and on or about the 25th day of October, 1905, the Honorable Secretary of the Interior of the United States, acting through the Honorable Frank Pierce, first assistant secretary, reversed the said deceision and ruling of the Commissioner of the General Land Office, and directed that said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, together with other selections similarly made, be allowed as of the date on which they were filed, to wit, the 8th day of February, 1904, and directed the Register and Receiver of the United States Land Office at Lakeview, Oregon, to allow said selections to remain of record as filed.

XV.

And thereupon your orator further shows unto your Honors:

That subsequently and on or about the 6th day of December, 1905, the local officers of the United States

Land Office at Lakeview, Oregon, attempted to reject the said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, together with other selections, and alleged as a ground for said attempted rejection that the land covered by said selections had been withdrawn for the purpose of what was known as the Klamath River Project, and said action of the said Register and Receiver of the United States Land Office at Lakeview, Oregon, in attempting to reject said selections, was subsequently reversed by order and direction of the Commissioner of the General Land Office, made on the 23rd day of January, 1906, who ordered and directed that said lieu selection be allowed as of date February 8, 1904.

XVI.

And thereupon your orator further shows unto your Honors:

That on or about the 5th day of March, 1906, and the 11th day of June, 1906, the Register and Receiver of the United States Land Office at Lakeview, Oregon, made objections to the allowance of the said lieu selection, so made as alleged in paragraph VII of this amended complaint, together with other selections, and attempted thereby to reject said lieu selection referred to in paragraph VII of this amended complaint, which attempted objections were sustained on appeal by the Commissioner of the General Land Office and by the Department of the Interior, on the 20th day of June, 1906, and subsequently and on or about the 15th day of May, 1907, the Department of the Interior of the United States recalled its attempt-

ed decision of June 20, 1906, and entered an order directing the allowance of the said lieu selection, so made as alleged in paragraph VII of this amended complaint, together with other selections, as of the date on which said lieu selections were filed, to wit, the 8th day of February, 1904, and ordered and directed that notice of such order be given to all parties who had made entries upon said lands subsequently to the filing of said lieu selection, so made as alleged in paragraph VII of this amended complaint, which said notice was duly given as directed.

XVII.

And thereupon your orator further shows unto your Honors:

That subsequently, and as a result of the notice so given, a petition for a review of the departmental decision last referred to was filed on behalf of Archie Johnson, a claimant of part of the said lands embraced by said indemnity lists 178 and 188, which petition set forth the existence of an alleged conspiracy, averred to have been formed for the purpose of acquiring all of the said lands, in the first instance, and that the said lieu selections, so made as aforesaid, were in accordance with, and constituted a part of, said alleged conspiracy, and that the plaintiff herein was not a purchaser in good faith of said land described in paragraph V of this amended complaint, or any part thereof, which petition for review was allowed upon the ground that all previous hearings before the Department of the Interior, so had as hereinbefore alleged, were purely ex parte and were, consequently, not

proper proceedings in which to determine the merits of the adverse claims to the lands in question, for the purpose of basing a final decision thereon, and, therefore, an order was made directing that a final hearing should be held before the Register and Receiver of the United States land office at Lakeview, Oregon, for the purpose of determining the respective merits of various claims to the lands embraced within the said school indemnity lists 178 and 188.

XVIII.

And thereupon your orator further shows unto your Honors:

That subsequently, and on or about the 25th day of May, 1908, said hearing so ordered, as aforesaid, was duly and regularly had before the Register and Receiver of the United States land office at Lakeview, Oregon, the plaintiff herein appearing in person and by attorneys, and the defendant, Frank Johnston, and other adverse claimants appearing in person or by attorneys, at which time the said Register and Receiver, after duly hearing the respective parties, attempted to hold that the various homestead and timber and stone entries hereinbefore referred to in paragraph XIII of this amended complaint and particularly the entry of the defendant, Frank Johnston, which was made on the 5th day of October, 1905, should be allowed, which decision was subsequently, and on or about the 13th day of April, 1909, reversed by the Honorable Commissioner of the General Land Office, who held that the lieu selection referred to in paragraph VII of this amended complaint, together

with other selections made in the interest of the plaintiff herein, had been duly and regularly made, and should be allowed to remain intact, upon the records of the United States Land Office, as of the date on which they were filed, to wit, February 8, 1904.

XIX.

And thereupon your orator further shows unto your Honors:

That subsequently and on or about the ..... day of ....., 19....., an appeal from the decision of the Honorable Commissioner of the General Land Office, hereinbefore referred to in paragraph XVIII of this amended complaint, was taken by certain alleged homestead and timber and stone claimants, including defendant, Frank Johnston, to the Department of the Interior of the United States, which department, acting through the Honorable Frank Pierce, its First Assistant Secretary, found that the said lieu selection, so made as alleged in paragraph VII of this amended complaint, together with other selections, were filed simultaneously with the relinquishment and cancellation of said indemnity lists 178 and 188, to wit, on the 8th day of February, 1904, and before the attempted filing of the said alleged homestead and timber and stone entries, so made as alleged in paragraphs VIII and XIII of this amended complaint, and further found that the record then before said department fully showed, and every material fact supported the conclusion, that the plaintiff herein was a purchaser in good faith, free from fraud of any kind, and that the said alleged homestead and

other entries, and particularly the entry of the defendant, Frank Johnston, were made subsequently to the 8th day of February, 1904, and after the filing of the lieu selection, so made as alleged in paragraph VII of this amended complaint, and that said lieu selection, so made as alleged in paragraph VII of this amended complaint, had been allowed by the Secretary of the Interior, as alleged in paragraphs XIV and XVI of this amended complaint, and had been allowed by the Commissioner of the General Land Office, as alleged in paragraph XV of this amended complaint, and, based upon said findings, held that it was within the competency of the officers of the land department of the United States to allow the said alleged homestead and timber and stone entries to be made after the filing of said lieu selection, so made as alleged in paragraph VII of this amended complaint, and the allowance of said selections, so made as alleged in paragraphs XIV and XV and XVI of this amended complaint, and further held that said lieu selections, so made and allowed, would be denied in all instances where the local officers of the United States Land Office at Lakeview, Oregon, had attempted to allow homestead and timber and stone entries to be made, a copy of which decision is hereunto attached and marked "Exhibit A", and, by reference, incorporated in and made a part of this amended complaint.

XX.

And thereupon your orator further shows unto your Honors:

That subsequently, and on or about the 8th day of April, 1907, and in accordance with the ruling of the decision hereinbefore referred to in paragraph XIX of this amended complaint, a patent to the following described land, situated in the County of Klamath and State of Oregon, and particularly described as follows, to wit:

> The north half of the northeast quarter of section twelve, township thirty-seven south, range ten east of Willamette Meridian,

was issued in the name of Frank Johnston, one of the defendants herein, contrary to, and in violation of, the rights and equities of the plaintiff herein, and that the said patent so issued, as aforesaid, was issued by the officers of the United States government without regard to, and in contravention of, the vested rights of the plaintiff herein, and in accordance with the ruling of the Department of the Interior, as evidenced by the decision referred to in paragraph XIX of this amended complaint.

XXI.

And thereupon your orator further shows unto your Honors:

That prior to the issuance of said patent as alleged in paragraph XX of this complaint, said Frank Johnston, without any consideration whatsoever therefor, and with the full knowledge of the rights and equities of your orator therein, and of all the proceedings had before the Land Department of the United States, as aforesaid, and for the sole purpose of defrauding your

orator, attempted to sell, transfer and convey all his right, title and interest acquired under and by virtue of his said entry and prior to the issuance of patent, to one John B. Mason and said John B. Mason received the said pretended conveyance with like knowledge of the rights and equities of your orator therein and of all the proceedings had before the Land Dapartment of the United States, as aforesaid, and for the purpose of defrauding your orator, which said pretended conveyance from said Frank Johnston to said John B. Mason was placed of record in book ....., at page ....., of the records of deeds of Klamath County, State of Oregon, and that thereafter and prior to the issuance of said patent as aforesaid, said John B. Mason, without any consideration whatsoever moving to him and with full knowledge of the rights and equities of your orator therein, and of all the proceedings had before the land department of the United States and for the sole purpose of defrauding your orator, attempted to sell, transfer and convey all his right, title and interest acquired under and by virtue of said conveyance from Frank Johnston to the defendant, D. W. Dineen, which said pretended and attempted conveyance was received by said D. W. Dineen with full knowledge of the rights and equities of your orator therein and of all the proceedings had before the Land Department of the United States, and without the payment of any consideration therefor, and in violation of the vested rights of the plaintiff in said land and with the wrongful and unlawful purpose of wronging, cheating and defraud-

ing plaintiff of his title to said lands, and that during all the times herein mentioned, prior to the issuance of said patent, the legal title in and to said described land, referred to in paragraph XX of this amended complaint, was vested in the United States of America, which said pretended deed from said John B. Mason to the defendant D. W. Dineen was recorded in book ....., at page ....., of the said records of deeds of Klamath County, Oregon.

XXII.

And thereupon your orator further shows unto your Honors:

That this is a suit between citizens of different states, and that the amount in controversy herein exceeds the amount of three thousand ($3000) dollars, exclusive of interest and costs.

XXIII.

And thereupon your orator further shows unto your Honors:

That he has no plain, adequate, or speedy remedy at law, but only in equity.

WHEREFORE, and forasmuch as your orator is remediless in the premises, under and by strict rules of common law, and can only have relief in a court of equity where matters of this nature are recognizable and reviewable, files this, his amended bill of complaint, and prays:

I. That the defendant, Frank Johnston, may be adjudged and decreed to hold said land described in paragraph V in trust for your orator, and to convey the same to your orator, and deliver to your orator

any patent or other deeds of the same in his possession, and be restrained and enjoined from hereafter setting up any claim or title to said land, or any part thereof, or in any manner intermeddling therewith, or removing any timber or other product therefrom.

II. That the conveyance from the defendant, Frank Johnston to John B. Mason, and from John B. Mason to the defendant D. W. Dineen, be adjudged and decreed to be of no force and effect, and, for the purpose of presenting a clear and unencumbered title in the plaintiff as against said pretended conveyance to the defendant D. W. Dineen, that the defendant D. W. Dineen be ordered, adjudged and decreed to convey said land, described in paragraph V of this amended complaint, to the plaintiff, and that in lieu of the said conveyance within a period of thirty days from the entry of the decree of this court, that the said decree be adjudged to stand as and for a conveyance in lieu of said conveyance from said D. W. Dineen to the plaintiff.

III. That the defendants may be adjudged and decreed to hold any timber or other product by them or their servants or agents removed from said land, or the proceeds or manufactured product from the same, in trust for your orator, and may be decreed to account to your orator for the same, or the value thereof, and to repay to your orator said value, with interest from the date of sale, if the same has been sold by the said defendants, or either of them.

IV. That upon the failure of the defendant, Frank

Johnston, to deliver to your orator said conveyance prayed for above, and any patent or other deeds of the said land described in paragraph V, within a period of thirty days from the entry of the decree of this court, the said decree be adjudged and decreed to stand as a conveyance in lieu of such conveyance, patent or other deeds.

V. And your orator further prays: That your Honors may grant unto your orator a writ of subpoena of the United States directed to the defendants, Frank Johnston and D. W. Dineen, therein and thereby commanding said defendants, under a certain penalty therein to be named, personally to be and appear before your Honorable Court, then and there to answer, all and singular, (but not under oath, answer under oath being expressly waived), the matters and things aforesaid, and to stand and abide by and sustain such direction and decree as shall be made herein, as to your Honors shall seem equitable and just.

VI. And your orator prays for such further relief in the premises as the nature and circumstances of this cause may require and to your Honorable Court may seem reasonable and proper.

And your orator, as in duty bound, will ever pray.

ALFRED D. DANIELS,

By Platt & Platt and Hugh Montgomery, His Solicitors.

Hugh Montgomery,
of Counsel.

[Exhibit "A"]

D. C. M. G. B. G.

DEPARTMENT OF INTERIOR.

Washington, Feb. 17, 1910.

E--900.

Aztec Land & Cattle Company, Lt'd.
E. B. Perrin
Lieu Selectors,
A. D. Daniels,
Claimant of Beneficial Interest,
vs.
Archie Johnson, et al,
Intervenors.
The Commissioner
Of the General Land Office.

Sir:

This is the appeal of Archie Johnson, et al., intervenors, from your office decision of April 13, 1909, sustaining the claim of A. D. Daniels, beneficiary under Lieu Selections, Nos. 15016, 15017 and 18, (Serials 0714, 0715, 0716) for certain described lands in the Lakeview Land District, Oregon. Questions affecting the validity of these selections have been subject of numerous decisions of the Land Department, and a detail statement of such proceedings covering a period of more than eight years, must of necessity be set out

in detail, if the issues now presented may be properly understood.

January 28, 1902, the lands involved were selected by the State of Oregon, per school indemnity lists Nos. 178 and 188 these lists were held for cancellation by your office, because of invalid base, and were finally cancelled in March and August, 1904, upon relinquishments filed on behalf of the state. The date of the filing of these relinquishments is one of the disputed questions in this record: and while not necessarily controlling, it is in view of this case important, and will be considered on its merits in the progress of this paper.

For present statement, it will be enough to say that the local officers and your office have found that it was filed Feb. 10, 1904, whereas it is claimed on behalf of A. D. Daniels, owner of the Beneficial interest in certain Forest Lieu Selections of these same lands, that it was filed Feb. 8, 1904. However this may be, the Forest Lieu Selections in question were filed on said last named date Feb. 8, 1904, but were rejected by the local officers in a letter to one, L. T. Barin, March 4, 1904, for conflict with certain homestead and timber and stone applications for part of the same lands, These Forest Lieu Selections were filed by Barin in the name of Edward B. Perrin, and Aztec Land and Cattle Co. but the said A. D. Daniels was the beneficial owner of the scrip, which was filed in his interests to protect his purchase from the state under its aforesaid Invalid Indemnity Selections.

On appeal, your office affirmed the action of the

Register and Receiver, giving as further reason and justification thereof the fact, that the Lieu Selections were presented at the local land office prior to cancellation of said Indemnity School Selections, and even prior to the filing of the state's relinquishment. Upon appeal, however, from this action of your office, the Department, Oct. 25, 1905, reversed your office decision, stating while the appeal was pending an affidavit had been filed by A. D. Daniels in which he stated that he was the real party in interest and the equitable owner of the lands assigned as bases for the Lieu Selections; that after its selections of the lands as School Indemnity, the State of Oregon had sold them to sundry purchasers, who paid part of the purchase price and assigned the certificates of sale to him, and he was then the owner thereof; that he thereafter became doubtful as to the validity of the State selection, and in order to protect his interests obtained relinquishments from the State and caused them to be filed in the Local Land Office at Lakeview with Lieu Selections; that in so doing he relied upon your office report of Oct. 13, 1904, (1903) to the Secretary of the Interior; which report was transmitted by the Department to the Governor of Oregon Oct. 17, 1904 (1903).

Considering the appeal, the Department held that the case, was controlled by its decision in the California and Oregon Land Company, (33 L. D. 595), that this case was in all essential respects the same as that one, and remanded the case with directions to adjudicate it thereunder. The Lieu Selections having

been returned to the Register and Receiver for allowance in accordance with said decisions, they were again, on Dec. 6, 1905, rejected by the local officers, for the reason that the lands had been withdrawn by telegram of June 25, 1904, for the Klamath River project. This action of the Register and Receiver was reversed by your officer Jan. 23, 1906, and the selections were remanded to be entered of record as of date Feb. 8, 1904, the day on which they were originally presented, if no other objection appeared. Under dates of March 5, and June 11, 1906, the Register submitted full reports to your office upon the said applications; and stated there were objections to the allowance of the same, in that there were various homesteads and timber and stone applications which had been allowed subsequently to the cancellation of the state's list. The Register also referred to the fact that Daniels had caused a contest to be instituted against the State's selection, and questioned his good faith in the matter.

Separate appeals were taken by the Aztec Land and Cattle Company and Perrin from this action of the local officers, and the papers in connection with the application of the Aztec Company were transmitted to the Department by your office, letter of May 9, 1906, for further consideration in connection with the report of the local office.

Upon consideration of the matter thus presented, the Department held in its decision of June 26, 1906, that the facts failed to show that Daniels, was entitled to protection as a Bona Fide purchaser from the

state; that the State's selections were filed Jan. 28, 1902, while the lands were sold on Jan. 21st, preceding, at which they were public lands of the United States, and no one purchasing them could claim to be a Bona Fide purchaser from the State; that as late as Oct. 5, 1903, Daniels was not asserting that he was a purchaser in good faith from the State, but was acting adversely to it and attempting to contest the lists under which he later asked for recognition as a Bona Fide purchaser and for equitable relief; that this position then was inconsistent with the position later assumed: and if had since acquired assignments of the State's certificates of sale, he had done so with full knowledge of the invalidity of the State's claim; that the facts set forth above were fatal to his contention that he was a Bona Fide purchaser, and as such should be permitted to file the State's relinquishment and obtain precedence over others seeking to appropriate the lands under the General land laws; that to conceed to him this privilege under letters Oct. 17 & 13, 1903, mentioned above, would in effect, be to make such persons as from time to time might constitute the State Land Board, agents to dispose of the public lands of the United States, within the State, to such persons as they might favor by means of sales of public land as state land, the subsequent filing of the State's list invalid for want of sufficient base; the filing of the State's relinquishment, and the protection of the purchaser from the state by grace of the Land Department. The Department accordingly held in that decision that the lieu selection should be rejected.

A motion for review of said decision of June 26th, 1906, having been filed by Daniels, Department, on May 15 and 18, 1907, rendered decisions holding that while Daniels, was not, strictly speaking a Bona Fide purchaser from the State, because the Certificates of sale issued by the State antedated the filing of the School Indemnity Selections, and therefore were made at a time when there was no actual claim of the State pending, still Daniels had not purchased the land until the month of April, 1902, nearly three months after the lands had been actually selected by the State, and that having paid a valuable consideration for the lands in an honest belief that a title was being obtained, that was sufficient to constitute a Bona Fide Purchase.

The decision of June 26th, 1906, was therefore recalled, and it was ordered that the Lieu Selection should be reinstated.

In promulgating the decision last mentioned, your office returned the Lieu Selections to the Local Land Office for allowance, and instructed the Register and Receiver to notify all parties who had made entry of said lands subsequently to the cancellation of the State's list to show cause within sixty days why their entries should not be cancelled, because of conflict with said Lieu Selections as a result of which a petition termed, a motion for re-review of Departmental decisions of May 15, and 18, 1907, was filed on behalf of Archie. Johnson who claimed a part of the Lands under a sale made thereof under the Public Land Laws.

This petition or motion charged, in effect, that a conspiracy had been formed for the purpose of acquiring the lands originally by means of the State's selection involved: that the entire proceeding by which title was sought to be acquired was fraudulent, and that the parties thereto should not be allowed to perfect title to the lands, to the injury of those who in good faith had entered the same under the public land laws.

Considering this petition, the Department stated in its decision of August 10th, 1907, that its previous decisions had been ex parte, and that the last decision favorable to Daniels did not prevent your office ordering a hearing, or taking other action with respect to the disposition of the claims of others which might be materially affected by the re-instatement of the claim of Daniels; and the case was accordingly remanded to your office for further consideration, to the end that a full and thorough investigation might be made into the matter, and your office was expressly advised that the previous decisions of the Land Department should in no wise embarass your action in the premises.

A hearing was accordingly ordered; and after due notice to all parties concerned, that the same was had before the local land office, May 25, 1908, Daniels appearing in person and by attorney, and the other parties claiming an interest either in person or by an attorney. The Local Land Office found that the case was not similar in all respects to that of the California and Oregon Land Company cited above; that in

that case there were no intervening rights or equities of other parties, while in the case under consideration the lands had been entered by bona fide settlers or purchasers, to many of whom final certificates had issued and in some instances even Patents had been issued.

The Register and Receiver accordingly recommended that the Homestead and Timber and Stone Entries of the various parties in the case should be allowed to remain in tact. Daniels appealed to your office, whereby your said decision of April 13, 1909, the action of the Local Office was reversed, and it was held that the Lieu Selections should remain in tact.

An appeal on behalf of the Homestead and Timber and Stone claimants brings the case before the Department. Most of the applicants to purchase the lands from the State upon whose supposed initiative these selections were made were not persons in being, but were fictitious persons, usually designated as "Dummies."

But while this is so, there is no evidence in this record showing or tending to show, that Daniels, or any person in privity with him, in fact, was a party to or had any knowledge of the intended fraud; and every material fact in this record supports the conclusion that Daniels bought in good faith, the Certificates of sale issued by the State. He had never heard of these State's Selections until one McHale, a timber land speculator of whom he had no personal acquaintance, but who was known to him by reputation, had reported to him that there was a large body of timber

land for sale, at Klamath, Oregon; and upon McHale's representations, he constituted McHale his agent under powers which amounted to, co-partnership, and McHale went to Klamath Falls to fully investigate these lands and the title thereto. McHale had instructions from Daniels, among other things, to secure the services of an attorney upon the question of title.

He did so. The attorney after an examination of the certificates of sale, reported that the title was good, and McHale's inquiries into the character of the land being satisfactory the results of his investigations was reported to Daniels and the deal was closed, upon the payment by Daniels of $23,901.10 for the certificates, of sale, and the further payment to the State of the unpaid ballance of the purchase price thereon, amounting to $3,033.74. Daniels had no personal acquaintance with any of the parties to the transactions; and so far as it appears from this record, he had no knowledge, information or belief which should have caused him to question the bona fides, of the people with whom he was dealing, or cause him to suspect that there was irregularity in the transaction. Nor was there anything in his connection with subsequent events, in his efforts to acquire title to these lands which may reasonably be said to go to the good faith of his purchase. It appears that rumors were soon thereafter rife with reference to land frauds in Oregon in connection with its school land grant.

The rumors reached Daniels and he promptly investigated them, finding for the first time that his title was questionable, upon the advice of his attorney, he initiated a contest against the State's selections upon which his title rested, hoping thereby to protect his purchase by acquiring an equitable preference right.

As a result of this contest, the state refunded the money which he had paid it and put in the hands of his attorney a relinquishment to the United States of all rights under its selections. Daniels then caused said relinquishments to be filed in the District Land Office, together with the Lieu Selections. There was certainly nothing reprehensible in this proceeding. Moreover, it was taken upon certain suggestions made in your said report of October 13, 1903. This report was responsive to a letter from the Governor of Oregon, September 28, 1903, wherein the inquiry was made of this department as to the means of protecting bona fide purchasers of the school indemnity lands from the State in instances where the State's selections had been cancelled for invalid base. Your offices reported among other things, and this is the same report transmitted to the Governor of Oregon, Oct. 13, 1903, that as to such selections—

while the selection is of record and uncancelled, the land is segregated thereby, and no right can be acquired by the presentation of an applicaiton therefor (29 L. D. 29), but the purchaser holding the State's relinquishment may present it with his application and thereby secure right of entry.

This is also the plain holding of this Department in the
in California and Oregon Land Company, supra, and is precisely the course pursued by Daniels in this case. His contest against the State's selection was to that end. He secured the State's relinquishments and presented them with the aforesaid applications to scrip the land.

It is true the record shows that the relinquishments were not marked, filed, in the local office until Feb. 10, 1904, which was two days after the presentation of the scrip applications.

It is further shown that it was the custom in that office to note the filing of the relinquishments of entries and filings upon public lands on the same day they were received in the office; and a clerk in said office gives it as his opinion that if these relinquishments had been receved on February 8, instead of February 10, the filing would have been noted on the day they were received.

But it is evident from the facts and circumstances surrounding the incident that the scrip applications and the State's relinquishments were, in fact, filed simultaneously.

The filing was by mail, and the letter of transmittal was written by Daniel's attorney, the said L. T. Barrin.

The letter recites that it contains the relinquishments in question, and it was received at the local land office February 8. Moreover, the action of the local officers at the time in rejecting the proffered

scrip applications, is put upon the ground that part of the lands were covered by pending homestead and timber and stone applications, whereas if the State had not then relinquished its school indemnity selections, the local officers would surely have assigned this as the reason for rejection of said applications, because this reason would have applied to all of the lands involved, instead of only a small portion of them, as was the case with the reason assigned.

It is worthy of too, that there has not been found any correspondence or record which would indicate that if the said Barin, had left these relinquishments out of his letter by inadvertence, they were ever afterwards transmitted to the local land office, and no correspondence or record of correspondence showing that if he had been guilty of such inadvertence he was ever advised thereof by the local officers.

I conclude therefore, on this branch of the case that the relinquishments in question and the scrip applications were filed at the same time, as was suggested they might be, in your office report of September 28th, 1903, above quoted.

Under existing regulations, it was the duty of the Register and Receiver to forward these applications, and these relinquishments without action for the consideration and disposition of your office. This however, it has been seen, was not done.

The scrip applications were rejected, and the history of the case, hereinbefore set out, shows that these applications were kept alive by successive appeals,

and that the case was twice remanded to the local officers, with directions to allow the applications, but various reasons were assigned for the neglect or failure of the local officers to obey these instructions.

It is believed that these applications might have been allowed, not as a matter of right, but in the discretion of the Secretary of the Interior; and if the instructions of the Secretary had been carried out, it would have been done before the case became complicated by the counter-equitable considerations arising upon the unfortunate allowance of the Homestead and Timber and Stone entries for most of these lands. It is thought however, that in instances where the land department has permitted these entries and filings to go of record, where they have become closed transactions, the Department would not be justified in cancelling such entries and filing, for the purpose of protecting the equities of Daniels in these lands. It matters not if Daniels' application was in all respects regular and might have been allowed when presented; yet it was within the competency of the Land Department to dispose of the said lands to other persons; and having done so, Daniels will not now be heard to question the correctness of that disposition.

See Hoyt vs. Weyerhauser et al). (161 F. E. D., Rep., 324).

It appears however, from your office reports of Dec. 16, 1909, that there are approximately 107 quarter Sections of land involved in this case. Of these, twenty-eight are involved in homestead entries, four

in cash entries and homestead entries, twenty-four in cash entries, twenty-five in Timber and Stone sworn statements, twelve are free and unappropriated, eight of them do not appear to be covered by the Lieu Selections in question, and seven of them have been patented.

In view of what has been said, the claim of Daniels must be denied as to all of them except those covered by Timber and Stone sworn statements only, and those that are unappropriated, amounting to what seems to be, from your office reports, approximately thirty-seven quarter sections in all.

As to these lands, the Timber and Stone applicants have not put themselves in privity with the United States, and the Land Department has not entered in to such Contract with them as to preclude other disposition of the lands.

See Campbell vs. Weyerhauser et al (161 Fed. Rep., 332).

This being true, and believing that the equities of Daniels should be protected to the fullest extent consistent with equitable administration, I have to direct that the Scrip applications be allowed as to all tracts which have not been otherwise disposed of, and rejected as to such as now appear to be covered by Homestead and cash entries.

The decision appeal from is modified. The papers are herewith returned.

Very respectfully,

FRANK PIERCE,
First Assistant Secretary.

Enclosures.

[Endorsed]: Amended Bill in Equity. Filed May 17, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 5 day of June, 1912, there was duly filed in said Court, a Demurrer, in words and figures as follows, to wit:

[Demurrer to Amended Bill of Complaint.]

In the District Court of the United States for the District of Oregon.

ALFRED D. DANIELS,

Plaintiff,

vs.

FRANK JOHNSTON, and D. W. DINEEN,

Defendants.

TO THE HONORABLE JUDGES OF THE DISTRICT COURT OF THE UNITED STATES IN AND FOR THE DISTRICT OF OREGON:

Comes now the defendant D. W. Dineen and demurs to the amended bill of complaint of Alfred D. Daniels plaintiff herein on the following grounds:

I.

That the plaintiff has not by his said amended bill made such a case as entitles him in a Court of Equity to any discovery from the defendant or any relief against him as to the matters contained in the said amended bill or any of such matters.

II.

That this Court has no jurisdiction of this cause for the reason that as disclosed by the amended bill of

complaint the plaintiff never acquired any vested interest in the lands described in the said amended bill of complaint and, not having any equitable interest therein, is not entitled to maintain this suit.

III.

That this Court is without jurisdiction in this cause because the land set forth in the amended bill of complaint was entered by the defendant D. W. Dineen's grantor at a time when it was surveyed, unappropriated and vacant public land and his right to enter the same was passed upon by the General Land Office of the United States and his entry was to be legal and proper and patent to the said land was thereupon issued to him. That the said determination by the General Land Office of the United States was a determination of a question of fact and cannot be reversed by this Court.

Wherefore and for divers other good causes of demurrer appearing in the said Amended bill, defendant demurs thereto and demands the judgment and decree of this Honorable Court whether he shall be compelled to make any other or further answer to the said amended bill and prays to be hence dismissed with his costs and charges in this behalf most wrongfully sustained.

ANGELL & FISHER,
Solicitors for Defendant D. W. Dineen.

UNITED STATES OF AMERICA,
District of Oregon—ss.

I, Homer D. Angell, being first duly sworn, depose and say that I am one of solicitors and of counsel for

defendant D. W. Dineen herein and I certify that, in my opinion, the aforesaid demurrer is well founded in point of law.

HOMER D. ANGELL.

Subscribed and sworn to before me this 31 day of May, A. D., 1912.

FOREST S. FISHER,
Notary Public for Oregon.

STATE OF CALIFORNIA,
County of Sonoma—ss.

I, D. W. Dineen, being first duly sworn, depose and say that I am one of the defendants herein and that the aforesaid demurrer is not interposed for delay.

D. W. DINEEN,

Subscribed and sworn to before me this 27 day of May, A. D., 1912.

EMMA HERRMANN,
Residing at Cloverdale, California.

[Endorsed]: Demurrer to Amended Bill in Equity. Filed Jun. 5, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on Saturday, the 3 day of August, 1912, the same being the 29 Judicial day of the Regular July, 1912, Term of said Court; Present: the Honorable R. S. BEAN, United States District Judge presiding, the following proceedings were had in said cause, to wit:

[Decree.]

In the District Court of the United States for the District of Oregon.

ALFRED D. DANIELS,

Plaintiff,

vs.

FRANK JOHNSTON and D. W. DINEEN,

Defendants.

This cause having come on regularly to be heard by the Court upon the demurrer of the defendants to the amended bill of complaint of the above named plaintiff, and the defendants having appeared by their attroneys Angell & Fisher, and the plaintiff having appeared by his attorneys Messrs. Platt & Platt and Hugh Montgomery, and the Court having heard the arguments of counsel for the respective parties hereto, and having taken said cause under advisement, and fully considered the same, and being now fully advised in the premises, and it appearing to the Court that said demurrer is well taken and should be in all respects sustained, and that said amended bill of complaint is without equity, and should be dismissed,

IT IS THEREFORE ORDERED, CONSIDERED, ADJUDGED and DECREED by the Court that the said demurrer to said amended bill of complaint be, and the same is hereby, in all respects sustained, and that said amended bill of complaint be, and the said is hereby dismissed, and that said defendants have and recover of and from said plaintiff their costs and disbursements herein, taxed at $.....

Dated this 3rd day of August, 1912.

R. S. BEAN,
Judge.

And afterwards, to wit, on the 29 day of August, 1912, there was duly filed in said Court, a Petition for Appeal, in words and figures as follows, to wit:

[Petition for Appeal.]

In the District Court of the United States for the District of Oregon.

ALFRED D. DANIELS,
Plaintiff,

vs.

FRANK JOHNSTON and D. W. DINEEN,
Defendants.

The above named plaintiff conceiving himself aggrieved by the order and decree made and entered in the above entitled cause on the 3rd day of August, 1912, does hereby appeal from said order and decree to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, for the reasons specified in the Assignment of Errors, which is filed herewith, and he prays that this appeal may be allowed, and that a transcript of the record, papers, and proceedings and all things concerning the same, duly authenticated may be sent to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, upon his filing a bond for the payment of all damages and costs if he fails to prosecute the said appeal to effect which bond

shall act as a supersedeas bond.

ALFRED D. DANIELS,

By Platt & Platt and Hugh Montgomery, Solicitors for Plaintiff.

Hugh Montgomery,

of Counsel.

[Endorsed]: Petition for Appeal. Filed Aug. 29, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 29 day of August, 1912, there was duly filed in said Court, Assignments of Error, in words and figures as follows, to wit:

[Assignments of Error.]

In the District Court of the United States for the District of Oregon.

ALFRED D. DANIELS,

Plaintiff,

vs.

FRANK JOHNSTON and D. W. DINEEN,

Defendants.

Now on this 29th day of August, 1912, comes the above named plaintiff, Alfred D. Daniels, appearing by Messrs. Platt & Platt, and Hugh Montgomery, his solicitors of record, and says that in the record and proceedings of the above entitled Court, in the above entitled cause, and in the final order and decree entered therein on the 3rd day of August, 1912, there

is manifest error, and that said order and decree is erroneous and against the just rights of said plaintiff, and for error the said plaintiff assigns the following:

I.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that, by the admissions of the demurrer, the plaintiff, on the 8th day of April, 1904, made a valid forest lieu selection of the lands described in paragraph V of plaintiff's amended bill filed in said cause under and in accordance with the provisions of the Act of Congress of June 4th, 1897, set forth in paragraph VI of plaintiff's amended bill of complaint.

II.

Because tse above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that by the admissions of the demurrer, the forest lieu selection of the plaintiff, made upon the lands described in paragraph V of his amended bill of complaint, was prior in time and initiated a right and interest superior to the claim of any person or persons whomsoever, and particularly the defendant.

III.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that, by the admissions of the demurrer, the attempted homestead entry of the defendant, Frank Johnston, was subsequent in time and

inferior in right to the forest lieu selection of the plaintiff.

IV.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that, by the admissions of the demurrer, the forest lieu selections of the plaintiff had been approved by the proper officers of the United States government, which approval gave the plaintiff a vested interest in the land so selected.

V.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that, by the admissions of the demurrer, the alleged homestead entry of the defendant, Frank Johnston, was made in contravention of the vested rights of the plaintiff herein.

VI.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that, by the admissions of the demurrer, the plaintiff was equitably entitled to be protected in the forest lieu selections which he had made on the lands described in paragraph V of his amended bill of complaint as against the claims of the defendants or any person or persons whomsoever.

VII.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that, by the admissions of the demurrer, the plaintiff was equitably entitled to have

the defendant declared a trustee for the plaintiff of the lands described in paragraph V of his amended bill of complaint..

VIII.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that the bill of complaint stated a good cause of action to which the defendants should be required to file their answer or plea.

IX.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint and decreeing that said amended bill of complaint be dismissed and allowing costs to the defendants.

X.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the defendant Frank Johnston, prior to the issuance of patent as alleged in paragraph XX of plaintiff's amended complaint, and without any consideration whatsoever therefor, and with full knowledge of the rights and equities of the plaintiff herein, attempted to sell, transfer, and convey all his right, title, and interest acquired under and by virtue of his said entry prior to the issuance of patent, to one John B. Mason, and said John B. Mason received the said pretended conveyance with like knowledge of the rights and equities of plaintiff herein, and said John B. Mason, without any consideration whatso-

ever moving to him, attempted to sell and transfer all his right, title, and interest to the defendant D. W. Dineen, which said pretended attempted conveyance was received by said D. W. Dineen with full knowledge of the rights and equities of the plaintiff herein.

WHEREFORE, the plaintiff and appellant prays that the decree of said court be reversed and such directions be given that full force and efficacy may enure to the plaintiff by reason of the cause of suit set up in his amended bill of complaint filed in said cause, and that a decree be entered in accordance with the prayer of plaintiff's amended bill of complaint.

PLATT & PLATT and HUGH MONTGOMERY,
Solicitors for Plaintiff.

Hugh Montgomery,
of Counsel.

[Endorsed]: Assignment of Errors. Filed Aug. 29, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 29 day of August, 1912, there was duly filed in said Court, an Order Allowing Appeal, in words and figures as follows, to wit:

[Order Allowing Appeal.]

In the District Court of the United States, for the District of Oregon.

ALFRED D. DANIELS,
Plaintiff,

vs.

FRANK JOHNSTON and D. W. DINEEN,
Defendants,

This day came Alfred D. Daniels, plaintiff, appearing by Messrs. Platt & Platt and Hugh Montgomery, his solicitors of record and presented his petition for an appeal and an assignment of errors accompanying the same which petition, upon consideration of the court, is hereby allowed, and the court allows an appeal to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, upon the filing of a bond in the sum of $500 with good and sufficient surety to be approved by the court: and

It is further ordered that said bond shall act as a supersedeas bond, and

It is further ordered that a certified transcript of the record, and all proceedings herein be forthwith transmitted to the said United States Circuit Court of Appeals.

R. S. BEAN,
Judge.

Dated this 29th day of August, 1912.

[Endorsed]: Order Allowing Appeal. Filed Aug. 29, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 29 day of August, 1912, there was duly filed in said Court, a Bond on Appeal, in words and figures as follows, to wit:

[Bond on Appeal.]

In the District Court of the United States for the District of Oregon.

ALFRED D. DANIELS,

Plaintiff,

vs.

FRANK JOHNSTON and D. W. DINEEN,

Defendants.

KNOW ALL MEN BY THESE PRESENTS:

That we, Alfred D. Daniels, as principal, and Fidelity & Deposit Company of Maryland, a corporation, as surety, are held and firmly bound unto Frank Johnston and D. W. Dineen, in the full and just sum of five hundred ($500) dollars to be paid to the said Frank Johnston and D. W. Dineen, their executors, to which payment well and truly to be made we bind ourselves, our heirs, executors, administrators and assigns, jointly and severally by these presents;

Sealed with our seals this 29th day of August, A. D., 1912.

WHEREAS, lately at the District Court of the United States for the District of Oregon, in a suit pending in said court between Alfred D. Daniels, plaintiff, and Frank Johnston and D. W. Dineen, defendants, a decree was rendered against said plaintiff Alfred D. Daniels, and said Alfred D. Daniels having petitioned an appeal and filed a copy thereof in the clerk's office in said court to reverse the same in the aforesaid suit, and a citation directed to the said Frank Johnston and D. W. Dineen citing and admonishing them to be and appear at a session of the United States Circuit Court of Appeals for the Ninth Judicial Circuit to be holden in the City of San Francisco in said Circuit, on the 28th day of September,

A. D., 1912, having been served on said defendants;

NOW the condition of this obligation is such, that if the said Alfred D. Daniels shall prosecute his appeal to effect, and answer all damages and costs if he shall fail to make his plea good, then the above obligation to be void, else to remain in full forse and virtue.

ALFRED D. DANIELS,
By Platt & Platt, His Solicitors of Record.

FIDELITY & DEPOSIT COMPANY OF MARYLAND,

]Seal.[By W. J. CLEMENS.
Agent.
By Harrison G. Platt, Attorney in Fact.

Examined and approved this 29th day of August, 1912.

R. S. BEAN,
District Judge.

[Endorsed]: Bond on Appeal. Filed Aug. 29, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 30 day of August, 1912, there was duly filed in said Court, a Citation on appeal, in words and figures as follows, to wit:

[Citation on Appeal.]

In the United States Circuit Court of Appeals for the Ninth Circuit.

ALFRED D. DANIELS,

Appellant,

vs

FRANK JOHNSTON and D. W. DINEEN,

Appellees.

UNITED STATES OF AMERICA,
Ninth Judicial Circuit—ss.

TO FRANK JOHNSTON and D. W. DINEEN, GREETING:

WHEREAS, Alfred D. Daniels, appellant in the above entitled suit has lately appealed to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, from a decree lately rendered in the District Court of the United States for the District of Oregon, made in favor of you, the said Frank Johnston and D. W. Dineen, and has filed the security required by law; you are therefore hereby cited to appear before the said United States Circuit Court of Appeals at the City of San Francisco, State of California, on the 28th day of September next, to do and receive what may pertain to justice to be done in the premises.

Given under my hand at the City of Portland in the Ninth Judicial Circuit this 29th day of August, in the year of our Lord, one thousand nine hundred twelve.

R. S. BEAN,

Judge of the District Court of the United States, for the District of Oregon.

UNITED STATES OF AMERICA,
District of Oregon—ss.

Due service of the within Citation to Appellees, by certified copy thereof, as required by law, is hereby acknowledged at Portland, Oregon, this 30 day of August, 1912.

ANGELL & FISHER,
of Attorneys for Appellees.

[Endorsed]: Citation to Appllees. Filed Aug. 30, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on Saturday, the 28 day of September, 1912, the same being the 77 Judicial day of the Regular July, 1912, Term of said Court; Present: the Honorable R. S. BEAN, United States District Judge presiding, the following proceedings were had in said cause, to-wit:

[Order Enlarging Time to File Record.]

In the District Court of the United States for the District of Oregon.

A. D. DANIELS,
Plaintiff,

vs.

FRANK JOHNSTON and D. W. DINEEN,
No. 3549.

September 28, 1912.

Now, at this day, for good cause shown, it is Ordered that the plaintiff's time for filing and docket-

ing the record on appeal in this cause in the United States Circuit Court of Appeals, Ninth Circuit, be and the same is hereby enlarged and extended ninety (90) days from this date.

R. S. BEAN,
Judge.

No. 2212

IN THE

UNITED STATES CIRCUIT COURT OF APPEALS

FOR THE NINTH CIRCUIT.

ALFRED D. DANIELS,

Appellant,

vs.

FRANK JOHNSTON and D. W. DINEEN,

Appellees.

Proceedings had in the United States Circuit Court of Appeals for the Ninth Circuit.

At a stated term, to wit, the October term, A. D. 1912, of the United States Circuit Court of Appeals for the Ninth Circuit, held in the court-room thereof, in the city and county of San Francisco, in the State of California, on Thursday, the sixth day of February, in the year of our Lord one thousand nine hundred and thirteen. Present: The Honorable WILLIAM B. GILBERT, Circuit Judge; Honorable WILLIAM W. MORROW, Circuit Judge; Honorable CHARLES E. WOLVERTON, District Judge.

No. 2212.

ALFRED D. DANIELS,

Appellant,

vs.

FRANK JOHNSTON and D. W. DINEEN,

Appellees.

Order of Submission in U. S. Circuit Court of Appeals.

ORDERED, appeal in the above-entitled cause argued by Mr. Hugh Montgomery, counsel for the appellant, and by Mr. Homer D. Angell, counsel for the appellees, and submitted to the Court for consideration and decision.

In the United States Circuit Court of Appeals, for the Ninth Circuit.

A. D. DANIELS,

Appellant,

vs.

JESSIE E. WAGNER,

Appellee.

Opinion U. S. Circuit Court of Appeals.

PLATT & PLATT and HUGH MONTGOMERY, for the Appellant.

ANGELL & FISHER, F. H. MILLS, ARTHUR I. MOULTON and P. A. LAFFERTY, for the Appellees.

Before GILBERT and MORROW, Circuit Judges, and WOLVERTON, District Judge.

The decision in this case involves the merits of sixteen suits pending in this court on appeal, in all of which A. D. Daniels, the appellant, was the complainant in the court below. The object of each suit was to obtain a decree declaring the defendants therein holders of the legal title to the land described in each case as trustees for said complainant. Demurrers to the bills for want of equity were sustained, and from the decrees thereupon rendered dismissing the bills, the appeals are taken.

The allegations in the bills are substantially the same. In the case which is above-entitled the allegations are in substance the following: That on and prior to April 12, 1902, Edward B. Perrin and the

Aztec Land & Cattle Company, Ltd., a corporation, each owned certain lands in fee simple in the Territory of Arizona; that on that date those lands were included within the limits of the San Francisco Mountains Forest Reserves, and that thereafter, on February 2, 1904, under the provisions of the Act of Congress of June 4, 1897, the said land owners relinquished and conveyed to the United States their interest in said lands, and on February 8, 1904, they made lieu selections of certain public lands in Klamath County, Oregon, for the benefit of the complainant; that the selections were perfected by presenting the recorded deed, together with a full, true and correct abstract of title showing that the selectors were the owners in fee simple of the lands relinquished; that on or about June 28, 1902, the State of Oregon had filed upon the lands so selected certain instruments purporting to be school indemnity lists, and before the approval of the lists, had sold the lands to the complainant, but that thereafter, owing to the invalid character of the base lands tendered in said lists, the lists were held for cancellation, and in March and August, 1904, were finally cancelled and relinquishments of said lists were filed on behalf of the State of Oregon; that prior to such cancellation, the State of Oregon acting through the officers of the State Land Board, sold to various *bona fide* purchasers for value the timber lands upon which the said school indemnity lists had been filed, and that the appellant in good faith purchased the said lands from the State of Oregon; that thereafter, discovering that the State had no right, title or interest in

said lands so conveyed, the forest lieu selections already referred to were made for the purpose of protecting complainant's interest in said lands; that at the time of making their selections, the selectors filed with their selections relinquishments from the State of Oregon of any rights which it might have acquired by virtue of the school indemnity lists so filed by it; that after making such lieu selections and filing such relinquishments, the officers of the Land Office at Lakeview, Oregon, having allowed other entries to be made upon the lands so selected by homestead, timber and stone applications for the lands, rejected the selections so made by the complainant's predecessors in interest; that upon appeal to the Commissioner of the General Land Office, the action of the Register and Receiver at Lakeview was affirmed; that the Commissioner advanced as a further reason for the rejection that at the time when the lieu selections were presented at the local land office, the State indemnity school selections had not been cancelled or relinquished; that the State of Oregon executed relinquishments and the same were filed in the Land Office, bearing the file-mark of February 10, 1904; that the relinquishments were forwarded to the Commissioner of the General Land Office, and on March 7, 1904, he advised the Register and Receiver at Lakeview that the relinquishments had been received, and directed them to make due notation that the lists were cancelled, "leaving the lands open to entry by the first legal applicants"; that thereafter the appellee made application for the land at the local land office, and his filing was accepted; that thereafter various

proceedings were had in the Land Department, concerning the land so entered, and on August 10, 1907, the Secretary of the Interior instructed the Commissioner to order a hearing; that a full investigation might be had of the whole matter; that upon the hearing the local land office found that the lands had been entered by *bona fide* settlers or purchasers, to many of whom certificates, and in some instances, patents had issued; that the Register and Receiver accordingly recommended that such entries be allowed to remain, and the Secretary of the Interior finally so decided on February 17, 1910, holding that the greater equities were with the Homestead and Stone and Timber entrymen, and that in the discretion of the Secretary, such entries might be protected against the right of the scrip applications, and said: "It matters not if Daniels' application was in all respects regular and might have been allowed when presented; yet it was within the competency of the Land Department to dispose of the said lands to other persons, and having done so, Daniels will not now be heard to question the correctness of that disposition."

GILBERT, Circuit Judge, after stating the case:

The appellant contends that by virtue of his offer to select the lands in question, and the tender in exchange therefor of a deed and abstract of title to the lands offered for surrender, he thereby became the equitable owner of the lands so sought to be selected, notwithstanding that his selection was rejected by the officers of the local land office, and that their rejection was affirmed by the Secretary of the Interior,

and that the patent having issued to the appellees, when in equity and good conscience, and according to law, it should have gone to the appellant, the Court should convert the holder of the legal title into a trustee for the appellant, and compel conveyance of the legal title to him.

In considering, in the light of the adjudications, the question here presented, it is essential to bear in mind the distinction between the right acquired by a Railroad Company, under a congressional grant of lands to aid the construction of a railroad, to select within the indemnity limits lands in lieu of those which are lost in the place limits, and the right of a lieu land selector under the Act of June 4, 1897. The former is a substantial right in the lands lying in the indemnity limits, given in consideration of the construction of a railroad, and is confined to specific lands within certain boundaries which are defined in the grant. It is a vested right, of which the grantee could not be deprived, by an Act of Congress or by other authority. In Weyerhaeuser vs. Hoyt, 219 U. S. 387, the Court declared that it was the intention of Congress in making such a grant, "to confer a substantial right to land within the indemnity limits in lieu of land lost within the place limits." The right of selection of lieu land given under the Act of June 4, 1897, however, is in the first instance but an offer by the Government to exchange lands. It is based upon no valuable consideration actually received. It attaches to no specific lands, nor to lands within any defined limits. It does not attach upon the mere presentation of the requisite papers. It at-

taches only when the authorized officers of the Government accept the offer to exchange. Nor is it true that the filing of the lieu selection papers and the acceptance of the same by the local Land Office segregates the land upon which the filing is made so as to cut off intervening and subsequent rights as against the lieu selectors. In Roughton vs. Knight, 219 U. S. 537–547, in construing the Act of June 4, 1897, the Court said: "Manifestly there must be an acceptance of the relinquishment by someone authorized to decide upon its sufficiency, and an assent to the particular selection made in lieu." In Cosmos Exploration Co. vs. Gray Eagle Oil Co., 190 U. S. 310, lieu land had been selected under the Act of June 4, 1897. The selector complied with the provisions of the Act. His selection was received and accepted, and entered on the records of the local land office. At that time there was no adverse claim. Before the issuance of a patent, the selector's grantee brought a suit against the defendants, who had entered the land as a mineral claim, he claiming that his grantor had become vested with the complete equitable title to the land so selected, and had become entitled to receive a patent. The Court held that it had no jurisdiction prior to the issuance of the patent to determine who was entitled to receive it, and that under the Act of June 4, 1897, the officers of the local land office had no authority to decide whether the selector had complied with the provisions of the Act, that authority being vested in the Commissioner of the General Land Office. The Court said: "But even the complete equitable title asserted by a complainant must,

as it would seem, be based upon the alleged right of the local land officers to accept the deed and approve the selection, even though such approval may be thereafter the subject of a review in the nature of an appeal from the action of the local officers. There must be a decision made somewhere regarding the rights asserted by the selector of land under the Act before a complete equitable title to the land can exist. The mere filing of papers cannot create such title. The application must comply with and conform to the statute, and the selector cannot decide the question for himself. We do not see how it can be successfully maintained that without any decision by any official representing the Government, and by merely filing the deed relinquishing to the Government a tract of forest reserve land, and assuming to select a similar area of vacant land open to settlement, the selector has thereby acquired a complete equitable title to the selected land." It is urged that this language of the Court is *dictum*, but we do not so regard it. It contains the reasoning of the Court in determining the nature of the rights of the complainant in that case. But if, indeed, it is true that the expression of such views was unnecessary to the determination of the case which was before the Court, the language used sets forth the mature and unanimous judgment of the members of that court on the question of law which is involved in the case at bar, and we deem it controlling in the decision of the present case.

Nor do we find ground to sustain the appellant's contention that the views of the Court so expressed

in the Cosmos Exploration Company case have been modified by the decision in Weyerhaeuser vs. Hoyt, 219 U. S. 380. That was a case which involved the right of a railroad company to select lands within the indemnity limits of its grant. The Court held that selections of lieu lands filed with the Secretary of the Interior excluded the right of others to appropriate the lands embraced therein pending action by the Secretary, and that the railroad company's rights to such lieu lands so selected were superior to those of a purchaser under the Timber and Stone Act who filed pending final decision by the Secretary, and that the final decision by the Secretary related back to the date of the original selections. Prior to that time, the Court had said, in New Orleans Pacific Ry. Co. vs. Parker, 143 U. S. 57: "As to lands within the indemnity limits, it has always been held that no title is acquired until the specific parcels have been selected by the grantee and approved by the Secretary of the Interior." The same was held in Humbird vs. Avery, 195 U. S. 507. In Wisconsin Central Ry. Co. vs. Price County, 133 U. S. 496, 512, the Court said: "Until the selections were approved there were no selections in fact, only preliminary proceedings taken for that purpose; and the indemnity lands remained unaffected in their title"; and in Sjoli vs. Dreschel, 199 U. S. 565, the Court held it to be established doctrine "that no rights to lands within indemnity limits will attach in favor of the railroad company until after selections made by it with the approval of the Secretary of the Interior; that up to the time such approval is given, lands within indem-

nity limits, although embraced by the company's list of selections, are subject to be disposed of by the United States, or to be settled upon and occupied under the pre-emption and homestead laws of the United States; and, That the Secretary of the Interior has no authority to withdraw from sale or settlement lands that are within indemnity limits which have not been previously selected, with his approval, to supply deficiencies within the place limits of the company's road." In the Weyerhaeuser case, the Court distinguished the Sjoli case by saying that it belonged to a class of cases in which there was no question of right by relation involved, and that the general language which we have quoted from the opinion was to be considered in view of the questions which were presented in that case, and that to apply it in the Weyerhaeuser case would be in effect to destroy the indemnity provisions of the Granting Act. No reference was made to the decision in the Cosmos Exploration Company case, and this was evidently for the reason that the language of the Court in that case was deemed to be applicable solely to the right of selection granted by the Act of June 4, 1897, and that the Court recognized and intended to reaffirm the vital distinction which it had found between such rights and the rights of a selector of indemnity lands under a grant to a railway company in aid of the construction of its road. Stalker vs. Oregon Short Line, 225 U. S. 142, is in line with Weyerhaeuser vs. Hoyt and so is Svor vs. Morris, 227 U. S. 524. We consider the decision in the Cosmos Exploration Company case authority for sustaining the decree of the

court below. But there is additional ground for sustaining it in the fact that, at the time when the appellant's selection was initiated on February 8, 1904, the lands involved herein appeared upon the records of the local land office as selected by the State of Oregon by certain school indemnity lists, and that those lists were not relinquished by the state until February 10, 1904. This sufficiently appears from the decision of the Secretary of the Interior, which is made an exhibit to the bill and is controlling in so far as it varies from the allegations of the bill. Greenameyer vs. Coate, 212 U. S. 434, 443.

The decree in each of the sixteen suits, Nos. 2212–2227, is affirmed.

[Endorsed]: Filed May 5, 1913. F. D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

United States Circuit Court of Appeals for the Ninth Circuit.

No. 2212.

ALFRED D. DANIELS,

Appellant,

vs.

FRANK JOHNSTON and D. W. DINEEN,

Appellees.

Decree, U. S. Circuit Court of Appeals.

Appeal from the District Court of the United States for the District of Oregon.

This cause came on to be heard on the transcript of the record from the District Court of the United

States for the District of Oregon, and was duly submitted:

On consideration whereof, it is now here ordered, adjudged, and decreed by this Court, that the decree of the said District Court in this cause be, and hereby is, affirmed, with costs in favor of the appellees and against the appellant.

It is further ordered, adjudged and decreed by this Court, that the appellees recover against the appellant for their costs herein expended, and have execution therefor.

[Endorsed]: Filed and entered May 5, 1913. F. D. Monckton, Clerk.

[Title of Court and Cause.]

Petition for Allowance of Appeal to Supreme Court of the United States.

PETITION FOR APPEAL FROM THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE NINTH CIRCUIT TO THE SUPREME COURT OF THE UNITED STATES.

The above-mentioned appellant, Alfred D. Daniels, respectfully shows that the above-entitled cause is now pending in the United States Circuit Court of Appeals for the Ninth Circuit and that a decree has therein been rendered, on the fifth day of May, A. D. 1913, affirming the decree of the District Court of the United States for the District of Oregon, and that the matter in controversy in said suit exceeds one thousand dollars, besides costs; that this cause is one

involving the construction and application of a statute of the United States, to wit, Act of June 4, 1897, 30 Statutes at Large, 36 (U. S. Comp. Stats. 1901, p. 1541), and in which the decree of the United States Circuit Court of Appeals for the Ninth Circuit is not final, and is a proper cause to be appealed to the Supreme Court of the United States.

The above-named appellant, conceiving himself aggrieved by the decree made and entered in the above-entitled court and cause on the fifth day of May, 1913, does hereby appeal from said decree to the United States Supreme Court, for the reasons specified in the assignment of errors, which is filed herewith.

WHEREFORE, the said appellant prays that an appeal be allowed him in the above-entitled cause, directing the clerk of the United States Circuit Court of Appeals for the Ninth Circuit to send the record and proceedings in said cause, with all things concerning the same, to the Supreme Court of the United States, in order that the errors complained of in the assignment of errors, herewith filed by the said appellant, may be reviewed, and, if error be found, corrected according to the laws and customs of the United States.

PLATT & PLATT,
Solicitors for Appellant.

[Endorsed]: Filed Jun. 2, 1913. Frank D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

[Title of Court and Cause.]

Assignment of Errors on Appeal to Supreme Court of the United States.

COMES NOW the appellant, Alfred D. Daniels, by Platt & Platt, his solicitors, and says that in the record and proceedings herein there is manifest error, and assigns error thereto as follows:

The United States Circuit Court of Appeals for the Ninth Circuit erred in affirming the decree of the United States District Court for the District of Oregon sustaining the demurrer of appellees to appellant's amended bill of complaint and dismissing appellant's amended bill of complaint.

First. Because the demurrer to appellant's amended bill of complaint admits that on the 8th day of February, 1904, the appellant made a valid forest lieu selection of the land, described in paragraph V of appellant's amended bill filed in said cause, under and in accordance with the provision of the Act of Congress of June 4, 1897, set forth in paragraph VI of appellant's amended bill of complaint.

Second. Because the demurrer to appellant's amended bill of complaint admits that the forest lieu selection of appellant, made upon the lands described in paragraph V of his amended bill of complaint, was prior in time and initiated a right and interest superior to the claim of any person or persons whomsoever, and particularly to that of the appellees.

Third. Because the demurrer to appellant's amended bill of complaint admits that the attempted timber and stone entry of the appellee, Frank John-

ston, was subsequent in time and inferior in right to the forest lieu selection of the appellant.

Fourth. Because the demurrer to appellant's amended bill of complaint admits that the forest lieu selections of appellant had been approved by the proper officers of the United States Government, which approval gave appellant a vested interest in the land so selected.

Fifth. Because the demurrer to appellant's amended bill of complaint admits that the alleged timber and stone entry of the appellee, Frank Johnston, was made in contravention of the vested rights of the appellant herein to the land described in paragraph V of appellant's amended bill of complaint.

Sixth. Because the demurrer to appellant's amended bill of complaint admits that the appellant was equitably entitled to be protected in the forest lieu selection which he had made on the lands described in paragraph V of his amended bill of complaint as against the claims of the appellees, or any person or persons whatsoever.

Seventh. Because the demurrer to appellant's amended bill of complaint admits that the appellant was equitably entitled to have the appellees declared trustees, for the appellant, of the lands described in paragraph V of appellant's amended bill of complaint.

Eighth. Because the demurrer to appellant's amended bill of complaint admits that the Oregon school indemnity lists, covering the lands described in paragraph V of appellant's amended bill of complaint, were relinquished simultaneously with the fil-

ing of the forest lieu selections by appellant.

Ninth. Because the demurrer to appellant's amended bill of complaint admits that the relinquishments of the Oregon school indemnity lists were filed on February 8, 1904.

Tenth. Because the demurrer admits that the appellee, Frank Johnston, prior to the issuance of patent, as alleged in paragraph XX of appellant's amended complaint, and without any consideration whatsoever therefor, and with full knowledge of the rights and equities of appellant herein, attempted to sell, transfer and convey all his right, title and interest acquired under and by virtue of his said entry, to one John B. Mason, and said John B. Mason received the said pretended conveyance with like knowledge of the rights and equities of appellant herein; and said John B. Mason, without any consideration whatsoever moving to him, attempted to sell and transfer all his right, title and interest to the appellee, D. W. Dineen, which said attempted conveyance was received by said D. W. Dineen with full knowledge of the rights and equities of the appellant herein.

Eleventh. Because the appellant's amended bill of complaint stated a good cause of suit to which the appellees should have been required to file their answers or pleas.

Twelfth. Because the decree of said District Court should have been reversed and the demurrer to appellant's amended bill of complaint overruled.

WHEREFORE, the appellant prays that the decree of the United States Circuit Court of Appeals

for the Ninth Circuit be reversed, and such directions be given that force and efficacy may inure to the appellant by reason of the cause of suit set up in his amended bill of complaint filed in said cause, and that a decree be entered in accordance with the prayer of appellant's amended bill of complaint.

PLATT & PLATT,
Solicitors for Appellant.

[Endorsed]: Filed Jun. 2, 1913. Frank D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

[Title of Court and Cause.]

Order Allowing Appeal to Supreme Court U. S. and Fixing Amount of Bond.

IT IS HEREBY ORDERED, that the appeal in the above-entitled case to the Supreme Court of the United States be, and the same is hereby, allowed as prayed.

AND IT IS FURTHER ORDERED that the amount of the appeal and supersedeas bond be, and the same hereby is, fixed at $500.00.

Dated this third day of June, 1913.

WM. B. GILBERT,
United States Circuit Judge, Ninth Circuit.

[Endorsed]: Filed Jun. 5, 1913. F. D. Monckton, Clerk.

[Title of Court and Cause.]

Bond on Appeal to Supreme Court U. S.

KNOW ALL MEN BY THESE PRESENTS, that we, Alfred D. Daniels, as principal, and Fidelity

& Deposit Company of Maryland, a corporation, as surety, are held and firmly bound unto Frank Johnston and D. W. Dineen in the full and just sum of Five Hundred Dollars ($500.00), lawful money of the United States of America, to be paid to the said Frank Johnston and D. W. Dineen, to which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, by these presents.

Sealed with our seals this 3d day of June, 1913.

WHEREAS, the appellant in the above-entitled suit is prosecuting an appeal to the United States Supreme Court to reverse the decree rendered and entered in said cause in the United States Circuit Court of Appeals for the Ninth Circuit on the 5th day of May, 1913;

NOW, THEREFORE, the condition of this obligation is such, that if the said appellant shall prosecute said appeal to effect, and answer all damages and costs if he fails to make said appeal good, then this obligation shall be void; otherwise to remain in full force and effect.

ALFRED D. DANIELS. [Seal]
By PLATT & PLATT,
His Solicitors of Record.

FIDELITY & DEPOSIT CO. OF MARYLAND. [Seal]
By ROBERT T. PLATT,
Attorney in Fact.
CHESTER W. HANSEN,
Agent.

Examined and approved this 3d day of June, 1913.

WM. B. GILBERT,
Circuit Judge for the Ninth Circuit.

[Endorsed]: Filed June. 5, 1913. F. D. Monckton, Clerk.

[Title of Court and Cause.]

Praecipe for Record on Appeal to Supreme Court of the United States.

To the Clerk of the said Court:

Sir: Please issue a certified Transcript of the Record on appeal to the Supreme Court of the United States in the above-entitled cause, consisting of the following:

1. Copy of Printed Transcript of Record on which case was heard in the Circuit Court of Appeals, to which will be added a copy of the following entitled papers that were filed, and of the Proceedings that were had in said Circuit Court of Appeals, viz.:
2. Order of Submission;
3. Opinion;
4. Decree;
5. Petition for Appeal to Supreme Court U. S.; and Order thereon;
6. Bond on Appeal to Supreme Court U. S.;
7. Assignment of Errors;
8. Praecipe for Certified Transcript of Record on Appeal to Supreme Court U. S.;
9. Certificate of Clerk U. S. C. C. A. to Transcript of Record on Appeal to Supreme Court U. S., and

10. Original Citation on Appeal to Supreme Court U. S.

PLATT & PLATT,
Solicitors for Appellant.

United States of America,
Ninth Judicial Circuit,—ss.

Due service of the within Praecipe for Transcript on Appeal to Supreme Court U. S. is hereby acknowledged, and certified copy thereof received, at Portland, Oregon, this 7th day of June, 1913.

ANGELL & FISHER,
Of Solicitors for Appellees.

[Endorsed]: Filed Jun. 10, 1913. F. D. Monckton, Clerk.

In the United States Circuit Court of Appeals for the Ninth Circuit.

No. 2212.

ALFRED D. DANIELS,

Appellant,

vs.

FRANK JOHNSTON and D. W. DINEEN,

Appellees.

Certificate of Clerk U. S. Circuit Court of Appeals to Transcript of Record on Appeal to the Supreme Court of the United States.

I, Frank D. Monckton, as Clerk of the United States Circuit Court of Appeals for the Ninth Circuit, do hereby certify the foregoing seventy-four (74) pages, numbered from and including one (1) to and including seventy-four (74), to be a full, true and correct copy of the complete record in the above-entitled cause, prepared pursuant to praecipe therefor filed by counsel for the appellant, including all proceedings had therein, and including the Opinion and the Assignment of Errors filed therein, as the same remain on file and appear of record in my office, and that the same, together, constitute the Transcript of Record in said cause on Appeal to the Supreme Court of the United States.

Attest my hand and the seal of the said the United States Circuit Court of Appeals for the Ninth Circuit, at the City of San Francisco, in the State of California, this twentieth day of June, A. D. 1913.

[Seal] F. D. MONCKTON,
Clerk.

In the United States Circuit Court of Appeals for the Ninth Circuit.

No. 2212.

ALFRED D. DANIELS,

Appellant,

vs.

FRANK JOHNSTON and D. W. DINEEN,

Appellees.

Citation on Appeal to Supreme Court U. S.

United States of America,
Ninth Circuit,—ss.

To Frank Johnston and D. W. Dineen, Greetings:

You, and each of you, are hereby cited and admonished to be and appear in the Supreme Court of the United States, at the City of Washington, in the District of Columbia, sixty (60) days after the date of this citation, pursuant to an appeal filed in the clerk's office of the United States Circuit Court of Appeals for the Ninth Circuit, wherein Alfred D. Daniels is appellant and you are appellees, to show cause, if any there be, why the decree rendered against said appellant, as in said appeal mentioned, should not be corrected, and why speedy justice should not be done the parties in that behalf.

WITNESS the Honorable W. B. GILBERT, Judge of the United States Circuit Court of Appeals for the Ninth Circuit, this 6th day of June, A. D. 1913.

WM. B. GILBERT,
Circuit Judge.

United States of America,
Ninth Judicial Circuit,—ss.

Due service of the within Citation to appellees is hereby acknowledged, and certified copy thereof received, at Portland, Oregon, this 7th day of June, 1913.

ANGELL & FISHER,
Of Solicitors for Appellees.

[Endorsed]: No. 2212. In the United States Circuit Court of Appeals for the Ninth Circuit. Alfred D. Daniels, Appellant, vs. Frank Johnston and D. W. Dineen, Appellees. Citation. Filed Jun. 10, 1913. F. D. Monckton, Clerk U. S. Circuit Court of Appeals, for the Ninth Circuit.

[Endorsed on Cover.]

File No. 23,815.

U. S. Circuit Court Appeals, 9th Circuit.

Term No. 664.

ALFRED D. DANIELS, Appellant,
vs.
FRANK JOHNSON and D. W. DINEEN.

Filed August 2d, 1913.

File No. 23,815.

TRANSCRIPT OF RECORD.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, [redacted]. 1914

No. [redacted]235

ALFRED D. DANIELS, APPELLANT,

vs.

RALPH E. BUTLER AND D. W. DINEEN.

APPEAL FROM THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE NINTH CIRCUIT.

FILED AUGUST 2, 1913.

(23,816)

(23,816)

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1913.

No. 665.

ALFRED D. DANIELS, APPELLANT,

vs.

RALPH E. BUTLER AND D. W. DINEEN.

APPEAL FROM THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE NINTH CIRCUIT.

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JUDD & DETWEILER (INC.), PRINTERS, WASHINGTON, D. C., AUGUST 25, 1913.

No. 2213

IN THE

United States Circuit Court of Appeals

NINTH CIRCUIT

ALFRED D. DANIELS,

Appellant,

vs.

RALPH E. BUTLER and D. W. DINEEN,

Appellees.

Upon Appeal from the United States District Court for the District of Oregon

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TRANSCRIPT OF RECORD.

FILED
JAN 2 - 1913
F. D. MONCKTON,
CLERK

IN THE

United States Circuit Court of Appeals

NINTH CIRCUIT

ALFRED D. DANIELS,

Appellant,

vs.

RALPH E. BUTLER and D. W. DINEEN,

Appellees.

Names and Addresses of Attorneys Upon This Appeal:

For the Appellant:

PLATT & PLATT and HUGH MONTGOMERY,
Board of Trade Bldg., Portland, Oregon

For the Appellees:

ANGELL & FISHER,
Fenton Bldg., Portland, Oregon

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In the District Court of the United States for the District of Oregon.

Be it Remembered, That on the 17 day of May, 1912, there was duly filed in the District Court of the United States for the District of Oregon, an Amended Bill of Complaint, in words and figures as follows, to wit:

[Bill of Complaint.]

In the District Court of the United States for the District of Oregon.

ALFRED D. DANIELS,

Plaintiff,

vs.

RALPH E. BUTLER and D. W. DINEEN,

Defendants.

TO THE HONORABLE JUDGES OF THE DISTRICT COURT OF THE UNITED STATES IN AND FOR THE DISTRICT OF OREGON:

A. D. Daniels, a citizen and inhabitant of the State of Wisconsin, residing at Rhinelander in said state, with leave of court first had and obtained, brings this, his amended bill of complaint, against Ralph E. Butler, a resident and inhabitant of the state of Oregon, residing at Dallas, in said state, and D. W. Dineen, a resident and inhabitant of the State of California, and residing at Cloverdale in said state.

And thereupon your orator complains and says:

I.

That at all times herein mentioned plaintiff was and is a resident and inhabitant of the State of Wis-

consin, residing at Rhinelander in said state.

II.

And thereupon your orator further shows unto your Honors:

That at all times herein mentioned defendant, Ralph E. Butler, was and is a resident and inhabitant of the State of Oregon, residing at Dallas in said state, and that defendant D. W. Dineen was and is a resident and inhabitant of the State of California, residing at Cloverdale in said state.

III.

And thereupon your orator further shows unto your Honors:

That on the 12th day of April, 1902, and immediately prior thereto, the Aztec Land and Cattle Company, Ltd., a corporation, was the owner in fee simple, free of any lien or incumbrances, of that certain property located in the Territory of Arizona, and particularly described as follows, to wit:

> All of sections twenty-five, twenty-seven, and twenty-nine, township sixteen north, range ten east; and the southeast quarter of section three, township nineteen north, range nine east, G. & S. R. M.

and was the owner in fee simple of said property described in paragraph III of this amended complaint, up until the 2nd day of February, 1904.

IV.

And thereupon your orator further shows unto your Honors:

That on or about the 12th day of April, 1902, the

said described lands, mentioned in paragraph III of this amended bill of complaint, were included within the limits of the San Francisco Mountains Forest Reserves, pursuant to a proclamation of the President of the United States made on or about the 12th day of April, 1902, which said lands were then, and still are, non-mineral lands.

V.

And thereupon your orator further shows unto your Honors:

That on or about the 8th day of February, 1904, that certain property situated within the District of Oregon, located in the County of Klamath in the State of Oregon, and particularly described as follows, to wit:

> The south half of the southwest quarter, section twelve, and the northwest quarter of the northwest quarter, and the southwest quarter of the northwest quarter, section thirteen, township thirty-seven south, range ten east of the Willamette Meridian,

was surveyed, unappropriated, and vacant public land of the United States, returned and characterized upon the official records of the United States as non-mineral land, free and open to entry and settlement under and in accordance with the laws of the United States governing the acquisition of public lands.

VI.

And thereupon your orator further shows unto your Honors:

That on or about the 4th day of June, 1897, the Con-

gress of the United States passed an act entitled: "An act making appropriation for sundry civil expenses of the government, for the fiscal year ending June 30, 1898, and for other purposes:" which act provides, among other things, as follows, to wit:

> "That in cases in which a tract covered by an unperfected bona fide claim, or by patent, is included within the limits of a forest reservation, the settler or owner thereof may, if he desires to do so, relinquish the tract to the government, and may select in lieu thereof a tract of vacant land open to settlement not exceeding in area the tract covered by his claim or patent, and no charge shall be made in such cases for making the entry of record, or issuing the patent to cover the tract selected: Provided further, That in cases of unperfected claims the requirements of the laws respecting settlement, residence, improvements, etc., are complied with on the new claims, credit being allowed for the time spent on the relinquished claim."

VII.

And thereupon your orator further shows unto your Honors:

That on or about the 2nd day of February, 1904, the said Axtec Land and Cattle Company, Ltd., a corporation, acting by A. L. Veazie, its attorney in fact, did, in accordance with the provisions and requirements of the act of Congress of June 4, 1897, set

forth in paragraph VI of this amended complaint, relinquish and convey unto the United States of America those certain tracts of land hereinbefore described in paragraph III of this amended complaint, and recorded the deed of conveyance in the office of the recorder of the county in which the said lands are situated, and subsequently, and on the 8th day of February, 1904, filed with the Register and Receiver of the United States land office at Lakeview, Oregon, the said deed so recorded, together with a full, true and correct abstract of title of the lands so relinquished, duly certified as such by the county recorder of the county in which the lands are situated, which abstract of title showed him to be the owner in fee simple of said lands, free and clear of any lien or incumbrances, immediately prior to the time the deed to the United States was recorded, and thereupon and at the same time selected in lieu of said lands so relinquished,

> The south half of the southwest quarter, section twelve, and the northwest quarter of the northwest quarter and the southwest quarter of the northwest quarter, section thirteen, township thirty-seven south, range ten east of the Willamette Meridian,

together with other lands, which selection so made was prior in time to the selection or entry of any other person or persons whomsoever, and, by virtue of said selection, there was initiated a right and interest prior in time and superior in right as against all persons whomsoever.

VIII.

And thereupon your orator shows unto your Honors:

That regardless of said selection so made as alleged in paragraph VII of this amended complaint, the defendant Ralph E. Butler did, on September 3, 1906, attempt to make a timber and stone entry upon the land described in paragraph VII of this amended complaint.

IX.

And thereupon your orator further shows unto your Honors:

That on or about the 28th day of June, 1902, the state of Oregon filed upon the said tracts so selected, together with certain other lands, certain instruments purporting to be school indemnity lists, which lists were numbered Lists 178 and 188, respectively, which said lists were duly and regularly accepted and filed by the Register and Receiver of the United States land office at Lakeview, Oregon, and thereupon were regularly transmitted to the Commissioner of the General Land Office of the United States government at Washington, D. C., to await the acceptance and approval of the land department of the United States government, but that, owing to the invalid character of the base lands tendered in said lists, the said lists were held for cancellation, and were subsequently cancelled upon relinquishments of said lists filed on behalf of the State of Oregon, on the 8th day of February, 1904.

X.

And thereupon your orator further shows unto your Honors:

That prior to the said cancellation of said school indemnity lists 178 and 188, and before any action whatsoever had been taken by the proper officers of the land department of the United States, except said Register and said Receiver, relative to the acceptance and rejection of the said indemnity lists, the State of Oregon, acting through the officers of the Oregon state land board, sold to various bona fide purchasers, for value, the timber lands upon which the said school indemnity lists 178 and 188 had been filed, and the said state had not at the time of such sale, nor has it at any time since ever acquired or owned any right, title, or interest in or to the said lands upon which the said lists were filed, including those lands more particularly described in paragraph V of this amended bill of complaint, which said lands described in said paragraph V were, for a valuable consideration, and in good faith, and without any knowledge whatsoever of the irregularity of the proceedings which had taken place in connection with the sale thereof, or of the invalid character of the base lands which were tendered to the Federal government as the basis for the said selection by the state of Oregon, purchased from the said State of Oregon by the plaintiff herein.

XI.

And thereupon your orator further shows unto your Honors:

That subsequently and upon the discovery of the

fact that all the proceedings in connection with the attempt to acquire said lands by filing of said lists 178 and 188, so filed as aforesaid, and more particularly those lands hereinbefore described in paragraph V of this amended bill of complaint, were irregular, and that by virtue of the filing of said lists the State of Oregon had acquired no interest and did not then have any right, title or interest in or to the said lands so selected, owing to the invalid character of the base land which had been tendered in exchange therefor, and the further fact that the said selected land had, neveretheless, been sold by the state of Oregon to many innocent purchasers for value, the State of Oregon, acting through the Honorable George E. Chamberlain, its governor, entered into negotiations with the Department of the Interior of the United States, for the purpose of arriving at some arrangement wherein and whereby the interest of these bona fide purchasers from the state might be protected, and as a result of such negotiations, and on or about the 17th day of October, 1903, a letter was promulgated and transmitted to the governor of the State of Oregon by the Honorable Secretary of the Interior of the United States, of which letter the following is in part substantially a copy, to wit:

> "It (the state) may within sixty days allowed for appeal amend its selection by the substitution of a valid base, or, if unable to furnish such a base, it may, upon receipt of notice that the selection is held for cancellation, make a formal relinquishment of the

selection, and give same to its grantee. While the selection is of record uncancelled the land is segregated thereby, and no right can be acquired by the presentation of an application therefor (29 L. D. 29), but the purchaser holding the state's relinquishment may present it with his application, and thereby secure the right of entry."

XII.

And thereupon your orator further shows unto your Honors:

That thereafter and in accordance with the terms of the arrangement thus agreed upon, as evidenced by the said letter of the Secretary of the Interior, the said lieu selection so made as alleged in paragraph VII of this amended bill of complaint was made by the said Aztec Land and Cattle Company, Ltd., a corporation, by A. L. Veazie, its attorney in fact, in the interest and for the benefit of the plaintiff herein, and for the purpose of protecting the interests of the plaintiff in and to said selected land acquired by virtue of the purchase so made by the plaintiff from the State of Oregon, as alleged in paragraph X of this amended complaint, and at the time of making said lieu selection so made as alleged in said paragraph VII, and on the 8th day of February, 1904, the said lieu selector, the said Aztec Land and Cattle Company, Ltd., by A. L. Veazie, it attorney in fact, presented, simultaneously with and together with the selection as in paragraph VII of this amended complaint alleged, a relinquishment from the State of Oregon

of all its right, title and interest in and to the said selected land, which said relinqushment was made by the State of Oregon in the interest and for the benefit of the plaintiff herein, as grantee, which relinquishment is the same relinquishment referred to in paragraph IX hereof.

XIII.

And thereupon your orator further shows unto your Honors:

That the said forest lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, was in all respects regular and in accordance with the requirements of said Act of Congress of June 4, 1897, set forth in paragraph VI of this amended complaint, and in accordance with the requirements of the Secretary of the Interior in his letter of October 17, 1903, hereinbefore set forth in paragraph XI of this amended bill of complaint, and the local officers of the United States land office at Lakeview, Oregon, did, on the 8th day of February, 1904, accept and file the said lieu selection, so made as aforesaid in paragraph VII of this amended bill of complaint, and, did, on the 4th day of March, 1904, and at subsequent dates, attempt to reject said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, and stated, as a basis for said attempted rejection, that the said lieu selection was in conflict with certain homestead and timber and stone applications, which were made subsequently to the 8th day of February, 1904, and subsequently to the presentation and filing of the lieu selection, together with the relin-

quishment of the State of Oregon, as alleged in paragraphs VII and XII of this amended bill of complaint.

XIV.

And thereupon your orator further shows unto your Honors:

That subsequently, and on or about the 8th day of April, 1904, said lieu selector and the plaintiff herein, together with other lieu selectors who had made other selections in the interest and for the benefit of the plaintiff herein, appealed from the ruling of the local officers of the United States land office at Lakeview, Oregon, by which ruling the sail local officers attempted to reject the said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, upon which appeal the said ruling was affirmed by the Commissioner of the General Land Office at Washington, D. C., on or about the 30th day of March, 1905, and subsequently, and on or about the 25th day of October, 1905, the Honorable Secretary of the Interior of the United States, acting through the Honorable Frank Pierce, first assistant secretary, reversed the said decision and ruling of the Commissioner of the General Land Office, and directed that said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, together with other selections similarly made, be allowed as of the date on which they were filed, to wit, the 8th day of February, 1904, and directed the Register and Receiver of the United States Land Office at Lakeview, Oregon, to allow said selections to remain of

record as filed.

XV.

And thereupon your orator further shows unto your Honors:

That subsequently and on or about the 6th day of December, 1905, the local officers of the United States Land Office at Lakeview, Oregon, attempted to reject the said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, together with other selections, and alleged as a ground for said attempted rejection that the land covered by said selections had been withdrawn for the purpose of what was known as the Klamath River project, and said action of the said Register and Receiver of the United States Land Office at Lakeview, Oregon, in attempting to reject said selections, was subsequently reversed by order and direction of the Commissioner of the General Land Office, made on the 23rd day of January, 1906, who ordered and directed that said lieu selection be allowed as of date February 8, 1904.

XVI.

And thereupon your orator further shows unto your Honors:

That on or about the 5th day of March, 1906, and the 11th day of June, 1906, the Register and Receiver of the United States Land Office at Lakeview, Oregon, made objections to the allowance of the said lieu selection, so made as alleged in paragraph VII of this amended complaint, together with other selections, and attempted thereby to reject said lieu se-

lection referred to in paragraph VII of this amended complaint, which attempted objections were sustained on appeal by the Commissioner of the General Land Office and by the Department of the Interior, on the 20th day of June, 1906, and subsequently and on or about the 15th day of May, 1907, the Department of the Interior of the United States recalled its attempted decision of June 20, 1906, and entered an order directing the allowance of the said lieu selection, so made as alleged in paragraph VII of this amended complaint, together with other selections, as of the date on which said lieu selections were filed, to wit, the 8th day of February, 1904, and ordered and directed that notice of such order be given to all parties who had made entries upon said lands subsequently to the filing of said lieu selection, so made as alleged in paragraph VII of this amended complaint, which said notice was duly given as directed.

XVII.

And thereupon your orator further shows unto your Honors:

That subsequently, and as a result of the notice so given, a petition for a review of the departmental decision last referred to was filed on behalf of Archie Johnson, a claimant of part of the said lands embraced by said indemnity lists 178 and 188, which petition set forth the existence of an alleged conspiracy, averred to have been formed for the purpose of acquiring all of the said lands, in the first instance, and that the said lieu selections, so made as aforesaid, were in accordance with, and constituted a part of, said alleged

conspiracy, and that the plaintiff herein was not a purchaser in good faith of said land described in paragraph V of this amended complaint, or any part thereof, which petition for review was allowed, upon the ground that all previous hearings before the Department of the Interior, so had as hereinbefore alleged, were purely ex parte and were, consequently, not proper proceedings in which to determine the merits of the adverse claims to the lands in question, for the purpose of basing a final decision thereon, and, therefore, an order was made directing that a final hearing should be held before the Register and Receiver of the United States Land Office at Lakeview, Oregon, for the purpose of determining the respective merits of various claims to the lands embraced within the said school indemnity lists 178 and 188.

XVIII.

And thereupon your orator further shows unto your Honors:

That subsequently, and on or about the 25th day of May, 1908, said hearing so ordered, as aforesaid, was duly and regularly had before the Register and Receiver of the United States Land Office at Lakeview, Oregon, the plaintiff herein appearing in person and by attorneys, and the defendant, Ralph E. Butler, and other adverse claimants appearing in person or by attorneys, at which time the said Register and Receiver, after duly hearing the respective parties, attempted to hold that the various homestead and timber and stone entries hereinbefore referred to in paragraph XIII of this amended complaint and particularly the

entry of the defendant, Ralph E. Butler, which was made on the 3rd day of September, 1906, should be allowed, which decision was subsequently, and on or about the 13 day of April, 1909, reversed by the Honorable Commissioner of the General Land Office, who held that the lieu selection referred to in paragraph VII of this amended complaint, together with other selections made in the interest of the plaintiff herein, had been duly and regularly made, and should be allowed to remain intact, upon the records of the United States Land Office, as of the date on which they were filed, to wit, February 8, 1904.

XIX.

And thereupon your orator further shows unto your Honors:

That subsequently and on or about the ..... day of ..... 19....., an appeal from the decision of the Honorable Commissioner of the General Land Office, hereinbefore referred to in paragraph XVIII of this amended complaint, was taken by certain alleged homestead and timber and stone claimants, including defendant, Ralph E. Butler, to the Department of the Interior of the United States, which department, acting through the Honorable Frank Pierce, its First Assistant Secretary, found that the said lieu selection, so made as alleged in paragraph VII of this amended complaint, together with other selections, were filed simultaneously with the relinquishment and cancellation of said indemnity lists 178 and 188, to wit, on the 8th day of February, 1904, and before the attempted filing of the said al-

leged homestead and timber and stone entries, so made as alleged in paragraphs VIII and XIII of this amended complaint, and further found that the record then before said department fully showed, and every material fact supported the conclusion, that the plaintiff herein was a purchaser in good faith, free from fraud of any kind, and that the said alleged homestead and other entries, and particularly the entry of the defendant, Ralph E. Butler, were made subsequently to the 8th day of February, 1904, and after the filing of the lieu selection, so made as alleged in paragraph VII of this amended complaint, and that said lieu selection, so made as alleged in paragraph VII of this amended complaint, had been allowed by the Secretary of the Interior, as alleged in paragraph XIV and XVI of this amended complaint, and had been allowed by the Commissioner of the General Land Office, as alleged in paragraph XV of this amended complaint, and, based upon said findings, held that it was within the competency of the officers of the land department of the United States to allow the said alleged homestead and timber and stone entries to be made after the filing of said lieu selection, so made as alleged in paragraph VII of this amended complaint, and the allowance of said selections, so made as alleged in paragraphs XIV and XV and XVI of this amended complaint, and further held that said lieu selections, so made and allowed, would be denied in all instances where the local officers of the United States Land Office at Lakeview, Oregon, had attempted to

allow homestead and timber and stone entries to be made, a copy of which decision is hereunto attached and marked "Exhibit A", and, by reference, incorporated in and made a part of this amended complaint.

XX.

And thereupon your orator further shows unto your Honors:

That subsequently, and on or about the 29th day of August, 1907, and in accordance with the ruling of the decision hereinbefore referred to in paragraph XIX of this amended complaint, a patent to the following described land, situated in the county of Klamath and State of Oregon, and particularly described as follows, to-wit:

> The south half of the southwest quarter, section twelve, and the northwest quarter of the northwest quarter and the southwest quarter of the northwest quarter, section thirteen, township thirty-seven south, range ten east of the Willamette Meridian,

was issued in the name of Ralph E. Butler, one of the defendants herein contrary to, and in violation of, the rights and equities of the plaintiff herein, and that the said patent so issued, as aforesaid, was issued by the officers of the United States government without regard to, and in contravention of, the vested rights of the plaintiff herein, and in accordance with the ruling of the Department of the Interior, as evidenced by the decision referred to in paragraph XIX of this amended complaint.

XXI.

And thereupon your orator further shows unto your Honors:

That prior to the issuance of said patent as alleged in paragraph XX of this complaint, said Ralph E. Butler, without any consideration whatsoever therefor, and with the full knowledge of the rights and equities of your orator therein, and of all the proceedings had before the Land Department of the United States, as aforesaid, and for the sole purpose of defrauding your orator, attempted to sell, transfer and convey all his right, title and interest acquired under and by virtue of his said entry and prior to the issuance of patent, to one John B. Mason and said John B. Mason received the said pretended conveyance with like knowledge of the rights and equities of your orator therein and of all the proceedings had before the Land Department of the United States, as aforesaid, and for the purpose of defrauding your orator, which said pretended conveyance from said Ralph E. Butler, to said John B. Mason was placed of record in book ....., at page ....., of the records of deeds of Klamath County, State of Oregon, and that thereafter and prior to the issuance of said patent as aforesaid, said John B. Mason, without any consideration whatsoever moving to him and with full knowledge of the rights and equities of your orator therein, and of all the proceedings had before the land department of the United States and for the sole purpose of defrauding your orator, attempted to sell, transfer and convey all his right, title and interest acquired under

and by virtue of said conveyance from Ralph E. Butler to the defendant, D. W. Dineen, which said pretended and attempted conveyance was received by said D. W. Dineen with full knowledge of the rights and equities of your orator therein and of all the proceedings had before the Land Department of the United tSates, and without the payment of any consideration therefor, and in violation of the vested rights of the plaintiff in said land and with the wrongful and unlawful purpose of wronging, cheating and defrauding plaintiff of his title to said lands, and that during all the times herein mentioned, prior to the issuance of said patent, the legal title in and to said described land, referred to in paragraph XX of this amended complaint, was vested in the United States of America, which said pretended deed from said John B. Mason to the defendant D. W. Dineen was recorded in book .....' at page ....., of the said records of deeds of Klamath County, Oregon.

XXII.

And thereupon your orator further shows unto your Honors:

That this is a suit between citizens of different states, and that the amount in controversy herein exceeds the amount of Three Thousand ($3000) Dollars, exclusive of interest and costs.

XXIII.

And thereupon your orator further shows unto your Honors:

That he has no plain, adequate, or speedy remedy at law, but only in equity.

WHEREFORE, and foreasmuch as your orator is remediless in the premises, under and by strict rules of common law, and can only have relief in a court of equity where matters of this nature are recognizable and reviewable, files this, his amended bill of complaint, and prays:

I. That the defendant, Ralph E. Butler, may be adjudged and decreed to hold said land described in paragraph V in trust for your orator, and to convey the same to your orator, and deliver to your orator any patent or other deeds of the same in his possession, and be restrained and enjoined from hereafter setting up any claim or title to said land, or any part thereof, or in any manner intermeddling therewith, or removing any timber or other product therefrom.

II. That the conveyance from the defendant, Ralph E. Butler, to John B. Mason, and from John B. Mason to the defendant D. W. Dineen, be adjudged and decreed to be of no force and effect, and, for the purpose of presenting a clear and unencumbered title in the plaintiff as against said pretended conveyance to the defendant D. W. Dineen, that the defendant D. W. Dineen be ordered, adjudged and decreed to convey said land, described in paragraph V of this amended complaint, to the plaintiff, and that in lieu of the said conveyance within a period of thirty days from the entry of the decree of this court, that the said decree be adjudged to stand as and for a conveyance in lieu of said conveyance from said D. W. Dineen to the plaintiff.

III. That the defendants may be adjudged and de-

creed to hold any timber or other product by them or their servants or agents removed from said land, or the proceeds or manufactured product from the same, in trust for your orator, and may be decreed to account to your orator for the same, or the value thereof, and to repay to your orator said value, with interest from the date of sale, if the same has been sold by the said defendants, or either of them.

IV. That upon the failure of the defendant, Ralph E. Butler, to deliver to your orator said conveyance prayed for above, and any patent or other deeds of the said land described in paragraph V, within a period of thirty days from the entry of the decree of this court, the said decree be adjudged and decreed to stand as a conveyance in lieu of such conveyance, patent or other deeds.

V. And your orator further prays: That your Honors may grant unto your orator a writ of subpoena of the United States directed to the defendants Ralph E. Butler and D. W. Dineen, therein and thereby commanding said defendants, under a certain penalty therein to be named, personally to be and appear before your Honorable Court, then and there to answer, all and singular, (but not under oath, answer under oath being expressly waived), the matters and things aforesaid, and to stand and abide by and sustain such direction and decree as shall be made herein, as to your Honors shall seem equitable and just.

VI. And your orator prays for such further relief in the premises as the nature and circumstances of this cause may require and to your Honorable Court

may seem reasonable and proper.

And your orator, as in duty bound, will ever pray.

ALFRED D. DANIELS,

By Platt & Platt and Hugh Montgomery, His Solicitors.

Hugh Montgomery,
of Counsel.

[Exhibit "A."]

D. C. M. G. B. G.

DEPARTMENT OF INTERIOR.

Washington, Feb. 17, 1910.

E--900.

Aztec Land & Cattle Company, Lt'd.
E. B. Perrin
Lieu Selectors,
A. D. Daniels,
Claimant of Beneficial Interest,
vs.
Archie Johnson, et al,
Intervenors.

The Commissioner
Of the General Land Office.

Sir:

This is the appeal of Archie Johnson, et al., intervenors, from your office decision of April 13, 1909, sustaining the claim of A. D. Daniels, beneficiary under Lieu Selections, Nos. 15016, 15017 and 18, (Serials 0714, 0715, 0716) for certain described lands in the Lakeview Land District, Oregon. Questions affecting the validity of these selections have been subject of numerous decisions of the Land Department, and a detail statement of such proceedings covering a period of more than eight years, must of necessity be set out

in detail, if the issues now presented may be properly understood.

January 28, 1902, the lands involved were selected by the State of Oregon, per school indemnity lists Nos. 178 and 188 these lists were held for cancellation by your office, because of invalid base, and were finally cancelled in March and August, 1904, upon relinquishments filed on behalf of the state. The date of the filing of these relinquishments is one of the disputed questions in this record: and while not necessarily controlling, it is in view of this case important, and will be considered on its merits in the progress of this paper.

For present statement, it will be enough to say that the local officers and your office have found that it was filed Feb. 10, 1904, whereas it is claimed on behalf of A. D. Daniels, owner of the Beneficial interest in certain Forest Lieu Selections of these same lands, that it was filed Feb. 8, 1904. However this may be, the Forest Lieu Selections in question were filed on said last named date Feb. 8, 1904, but were rejected by the local officers in a letter to one, L. T. Barin, March 4, 1904, for conflict with certain homestead and timber and stone applications for part of the same lands, These Forest Lieu Selections were filed by Barin in the name of Edward B. Perrin, and Aztec Land and Cattle Co. but the said A. D. Daniels was the beneficial owner of the scrip, which was filed in his interests to protect his purchase from the state under its aforesaid Invalid Indemnity Selections.

On appeal, your office affirmed the action of the

Register and Receiver, giving as further reason and justification thereof the fact, that the Lieu Selections were presented at the local land office prior to cancellation of said Indemnity School Selections, and even prior to the filing of the state's relinquishment. Upon appeal, however, from this action of your office, the Department, Oct. 25, 1905, reversed your office decision, stating while the appeal was pending an affidavit had been filed by A. D. Daniels in which he stated that he was the real party in interest and the equitable owner of the lands assigned as bases for the Lieu Selections; that after its selections of the lands as School Indemnity, the State of Oregon had sold them to sundry purchasers, who paid part of the purchase price and assigned the certificates of sale to him, and he was then the owner thereof; that he thereafter became doubtful as to the validity of the State selection, and in order to protect his interests obtained relinquishments from the State and caused them to be filed in the Local Land Office at Lakeview with Lieu Selections; that in so doing he relied upon your office report of Oct. 13, 1904, (1903) to the Secretary of the Interior; which report was transmitted by the Department to the Governor of Oregon Oct. 17, 1904 (1903).

Considering the appeal, the Department held that the case, was controlled by its decision in the California and Oregon Land Company, (33 L. D. 595), that this case was in all essential respects the same as that one, and remanded the case with directions to adjudicate it thereunder. The Lieu Selections having

been returned to the Register and Receiver for allowance in accordance with said decisions, they were again, on Dec. 6, 1905, rejected by the local officers, for the reason that the lands had been withdrawn by telegram of June 25, 1904, for the Klamath River project. This action of the Register and Receiver was reversed by your officer Jan. 23, 1906, and the selections were remanded to be entered of record as of date Feb. 8, 1904, the day on which they were originally presented, if no other objection appeared. Under dates of March 5, and June 11, 1906, the Register submitted full reports to your office upon the said applications; and stated there were objections to the allowance of the same, in that there were various homesteads and timber and stone applications which had been allowed subsequently to the cancellation of the state's list. The Register also referred to the fact that Daniels had caused a contest to be instituted against the State's selection, and questioned his good faith in the matter.

Separate appeals were taken by the Aztec Land and Cattle Company and Perrin from this action of the local officers, and the papers in connection with the application of the Aztec Company were transmitted to the Department by your office, letter of May 9, 1906, for further consideration in connection with the report of the local office.

Upon sonsideration of the matter thus presented, the Department held in its decision of June 26, 1906, that the facts failed to show that Daniels, was entitled to protection as a Bona Fide purchaser from the

state; that the State's selections were filed Jan. 28, 1902, while the lands were sold on Jan. 21st, preceding, at which they were public lands of the United States, and no one purchasing them could claim to be a Bona Fide purchaser from the State; that as late as Oct. 5, 1903, Daniels was not asserting that he was a purchaser in good faith from the State, but was acting adversely to it and attempting to contest the lists under which he later asked for recognition as a Bona Fide purchaser and for equitable relief; that this position then was inconsistent with the position later assumed: and if had since acquired assignments of the State's certificates of sale, he had done so with full knowledge of the invalidity of the State's claim; that the facts set forth above were fatal to his contention that he was a Bona Fide purchaser, and as such should be permitted to file the State's relinquishment and obtain precedence over others seeking to appropriate the lands under the General land laws; that to conceed to him this privilege under letters Oct. 17 & 13, 1903, mentioned above, would in effect, be to make such persons as from time to time might constitute the State Land Board, agents to dispose of the public lands of the United States, within the State, to such persons as they might favor by means of sales of public land as state land, the subsequent filing of the State's list invalid for want of sufficient base; the filing of the State's relinquishment, and the protection of the purchaser from the state by grace of the Land Department. The Department accordingly held in that decision that the lieu selection should be rejected.

A motion for review of said decision of June 26th, 1906, having been filed by Daniels, Department, on May 15 and 18, 1907, rendered decisions holding that while Daniels, was not, strictly speaking a Bona Fide purchaser from the State, because the Certificates of sale issued by the State antedated the filing of the School Indemnity Selections, and therefore were made at a time when there was no actual claim of the State pending, still Daniels had not purchased the land until the month of April, 1902, nearly three months after the lands had been actually selected by the State, and that having paid a valuable consideration for the lands in an honest belief that a title was being obtained, that was sufficient to constitute a Bona Fide Purchase.

The decision of June 26th, 1906, was therefore recalled, and it was ordered that the Lieu Selection should be reinstated.

In promulgating the decision last mentioned, your office returned the Lieu Selections to the Local Land Office for allowance, and instructed the Register and Receiver to notify all parties who had made entry of said lands subsequently to the cancellation of the State's list to show cause within sixty days why their entries should not be cancelled, because of conflict with said Lieu Selections as a result of which a petition termed, a motion for re-review of Departmental decisions of May 15, and 18, 1907, was filed on behalf of Archie. Johnson who claimed a part of the Lands under a sale made thereof under the Public Land Laws.

This petition or motion charged, in effect, that a conspiracy had been formed for the purpose of acquiring the lands originally by means of the State's selection involved: that the entire proceeding by which title was sought to be acquired was fraudulent, and that the parties thereto should not be allowed to perfect title to the lands, to the injury of those who in good faith had entered the same under the public land laws.

Considering this petition, the Department stated in its decision of August 10th, 1907, that its previous decisions had been ex parte, and that the last decision favorable to Daniels did not prevent your office ordering a hearing, or taking other action with respect to the disposition of the claims of others which might be materially affected by the re-instatement of the claim of Daniels; and the case was accordingly remanded to your office for further consideration, to the end that a full and thorough investigation might be made into the matter, and your office was expressly advised that the previous decisions of the Land Department should in no wise embarass your action in the premises.

A hearing was accordingly ordered; and after due notice to all parties concerned, that the same was had before the local land office, May 25, 1908, Daniels appearing in person and by attorney, and the other parties claiming an interest either in person or by an attorney. The Local Land Office found that the case was not similar in all respects to that of the California and Oregon Land Company cited above; that in

that case there were no intervening rights or equities of other parties, while in the case under consideration the lands had been entered by bona fide settlers or purchasers, to many of whom final certificates had issued and in some instances even Patents had been issued.

The Register and Receiver accordingly recommended that the Homestead and Timber and Stone Entries of the various parties in the case should be allowed to remain in tact. Daniels appealed to your office, whereby your said decision of April 13, 1909, the action of the Local Office was reversed, and it was held that the Lieu Selections should remain in tact.

An appeal on behalf of the Homestead and Timber and Stone claimants brings the case before the Department. Most of the applicants to purchase the lands from the State upon whose supposed initiative these selections were made were not persons in being, but were fictitious persons, usually designated as "Dummies."

But while this is so, there is no evidence in this record showing or tending to show, that Daniels, or any person in privity with him, in fact, was a party to or had any knowledge of the intended fraud; and every material fact in this record supports the conclusion that Daniels bought in good faith, the Certificates of sale issued by the State. He had never heard of these State's Selections until one McHale, a timber land speculator of whom he had no personal acquaintance, but who was known to him by reputation, had reported to him that there was a large body of timber

land for sale, at Klamath, Oregon; and upon McHale's representations, he constituted McHale his agent under powers which amounted to, co-partnership, and McHale went to Klamath Falls to fully investigate these lands and the title thereto. McHale had instructions from Daniels, among other things, to secure the services of an attorney upon the question of title.

He did so. The attorney after an examination of the certificates of sale, reported that the title was good, and McHale's inquiries into the character of the land being satisfactory the results of his investigations was reported to Daniels and the deal was closed, upon the payment by Daniels of $23,901.10 for the certificates, of sale, and the further payment to the State of the unpaid ballance of the purchase price thereon, amounting to $3,033.74. Daniels had no personal acquaintance with any of the parties to the transactions; and so far as it appears from this record, he had no knowledge, information or belief which should have caused him to question the bona fides, of the people with whom he was dealing, or cause him to suspect that there was irregularity in the transaction. Nor was there anything in his connection with subsequent events, in his efforts to acquire title to these lands which may reasonably be said to go to the good faith of his purchase. It appears that rumors were soon thereafter rife with reference to land frauds in Oregon in connection with its school land grant.

The rumors reached Daniels and he promptly investigated them, finding for the first time that his title was questionable, upon the advice of his attorney, he initiated a contest against the State's selections upon which his title rested, hoping thereby to protect his purchase by acquiring an equitable preference right.

As a result of this contest, the state refunded the money which he had paid it and put in the hands of his attorney a relinquishment to the United States of all rights under its selections. Daniels then caused said relinquishments to be filed in the District Land Office, together with the Lieu Selections. There was certainly nothing reprehensible in this proceeding. Moreover, it was taken upon certain suggestions made in your said report of October 13, 1903. This report was responsive to a letter from the Governor of Oregon, September 28, 1903, wherein the inquiry was made of this department as to the means of protecting bona fide purchasers of the school indemnity lands from the State in instances where the State's selections had been cancelled for invalid base. Your offices reported among other things, and this is the same report transmitted to the Governor of Oregon, Oct. 13, 1903, that as to such selections—

while the selection is of record and uncancelled, the land is segregated thereby, and no right can be acquired by the presentation of an applicaiton therefor (29 L. D. 29), but the purchaser holding the State's relinquishment may present it with his application and thereby secure right of entry.

This is also the plain holding of this Department in the
in California and Oregon Land Company, supra, and is precisely the course pursued by Daniels in this case. His contest against the State's selection was to that end. He secured the State's relinquishments and presented them with the aforesaid applications to scrip the land.

It is true the record shows that the relinquishments were not marked, filed, in the local office until Feb. 10, 1904, which was two days after the presentation of the scrip applications.

It is further shown that it was the custom in that office to note the filing of the relinquishments of entries and filings upon public lands on the same day they were received in the office; and a clerk in said office gives it as his opinion that if these relinquishments had been receved on February 8, instead of February 10, the filing would have been noted on the day they were received.

But it is evident from the facts and circumstances surrounding the incident that the scrip applications and the State's relinquishments were, in fact, filed simultaneously.

The filing was by mail, and the letter of transmittal was written by Daniel's attorney, the said L. T. Barrin.

The letter recites that it contains the relinquishments in question, and it was received at the local land office February 8. Moreover, the action of the local officers at the time in rejecting the proffered

scrip applications, is put upon the ground that part of the lands were covered by pending homestead and timber and stone applications, whereas if the State had not then relinquished its school indemnity selections, the local officers would surely have assigned this as the reason for rejection of said applications, because this reason would have applied to all of the lands involved, instead of only a small portion of them, as was the case with the reason assigned.

It is worthy of too, that there has not been found any correspondence or record which would indicate that if the said Barin, had left these relinquishments out of his letter by inadvertence, they were ever afterwards transmitted to the local land office, and no correspondence or record of correspondence showing that if he had been guilty of such inadvertence he was ever advised thereof by the local officers.

I conclude therefore, on this branch of the case that the relinquishments in question and the scrip applications were filed at the same time, as was suggested they might be, in your office report of September 28th, 1903, above quoted.

Under existing regulations, it was the duty of the Register and Receiver to forward these applications, and these relinquishments without action for the consideration and disposition of your office. This however, it has been seen, was not done.

The scrip applications were rejected, and the history of the case, hereinbefore set out, shows that these applications were kept alive by successive appeals,

and that the case was twice remanded to the local officers, with directions to allow the applications, but various reasons were assigned for the neglect or failure of the local officers to obey these instructions.

It is believed that these applications might have been allowed, not as a matter of right, but in the discretion of the Secretary of the Interior; and if the instructions of the Secretary had been carried out, it would have been done before the case became complicated by the counter-equitable considerations arising upon the unfortunate allowance of the Homestead and Timber and Stone entries for most of these lands. It is thought however, that in instances where the land department has permitted these entries and filings to go of record, where they have become closed transactions, the Department would not be justified in cancelling such entries and filing, for the purpose of protecting the equities of Daniels in these lands. It matters not if Daniels' application was in all respects regular and might have been allowed when presented; yet it was within the competency of the Land Department to dispose of the said lands to other persons; and having done so, Daniels will not now be heard to question the correctness of that disposition.

See Hoyt vs. Weyerhauser et al). (161 F. E. D., Rep., 324).

It appears however, from your office reports of Dec. 16, 1909, that there are approximately 107 quarter Sections of land involved in this case. Of these, twenty-eight are involved in homestead entries, four

in cash entries and homestead entries, twenty-four in cash entries, twenty-five in Timber and Stone sworn statements, twelve are free and unappropriated, eight of them do not appear to be covered by the Lieu Selections in question, and seven of them have been patented.

In view of what has been said, the claim of Daniels must be denied as to all of them except those covered by Timber and Stone sworn statements only, and those that are unappropriated, amounting to what seems to be, from your office reports, approximately thirty-seven quarter sections in all.

As to these lands, the Timber and Stone applicants have not put themselves in privity with the United States, and the Land Department has not entered in to such Contract with them as to preclude other disposition of the lands.

See Campbell vs. Weyerhauser et al (161 Fed. Rep., 332).

This being true, and believing that the equities of Daniels should be protected to the fullest extent consistent with equitable administration, I have to direct that the Scrip applications be allowed as to all tracts which have not been otherwise disposed of, and rejected as to such as now appear to be covered by Homestead and cash entries.

The decision appeal from is modified. The papers are herewith returned.

Very respectfully,

FRANK PIERCE,

First Assistant Secretary.

Enclosures.

[Endorsed]: Amended Bill in Equity. Filed May 17, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 9 day of June, 1912, there was duly filed in said Court, a Demurrer, in words and figures as follows, to wit:

[Demurrer to Bill of Complaint.]

In the District Court of the United States for the District of Oregon.

ALFRED D. DANIELS,

Plaintiff,

vs.

RALPH E. BUTLER and D. W. DINEEN,

Defendants.

Demurrer to Amended Bill in Equity.

TO THE HONORABLE JUDGES OF THE DISTRICT COURT OF THE UNITED STATES IN AND FOR THE DISTRICT OF OREGON:

Comes now the defendant D. W. Dineen and demurs to the amended bill of complaint of Alfred D. Daniels plaintiff herein on the following grounds:

I.

That the plaintiff has not by his said amended bill made such a case as entitles him in a Court of Equity to any discovery from the defendant or any relief against him as to the matters contained in the said amended bill or any of such matters.

II.

That this Court has no jurisdiction of this cause for

the reason that as disclosed by the amended bill of complaint the plaintiff never acquired any vested interest in the lands described in the said amended bill of complaint and, not having any equitable interest therein, is not entitled to maintain this suit.

III.

That this Court is without jurisdiction in this cause because the land set forth in the amended bill of complaint was entered by the defendant D. W. Dineen's grantor at a time when it was surveyed, un-appropriated and vacant public land and his right to enter the same was passed upon by the General Land Office of the United States and his entry was to be legal and proper and patent to the said land was thereupon issued to him. That the said determination by the General Land Office of the United States was a determination of a question of fact and cannot be reviewed by this Court.

Wherefore and for divers other good causes of demurrer appearing in the said amended bill, defendant demurs thereto and demands the judgment and decree of this Honorable Court whether he shall be compelled to make any other or further answer to the said amended bill and prays to be hence dismissed with his costs and charges in this behalf most wrongfully sustained.

ANGELL & FISHER,
Solicitors for Defendant.
D. W. Deneen.

UNITED STATES OF AMERICA,
District of Oregon—ss.

I, Homer D. Angell, being first duly sworn, depose and say that I am one of solicitors and of counsel for defendant D. W. Dineen herein and I certify that, in my opinion, the aforesaid demurrer is well founded in point of law.

[Seal.] HOMER D. ANGELL,

Subscribed and sworn to before me this 31 day of May, A. D., 1912.

FORREST S. FISHER,
Notary Public for Oregon.

STATE OF CALIFORNIA,
County of Sonoma—ss.

I, D. W. Dineen, being first duly sworn, depose and say that I am one of the defendants herein and that the aforesaid demurrer is not interposed for delay.

D. W. DINEEN.

Subscribed and sworn to before me this 27 day of May, A. D., 1912.

[Seal.] EMMA HERMANN,
Notary Public.

Residing at Cloverdale, California.

[Endorsed]: Demurrer to Amended Bill in Equity. Filed Jun. 9, 1912.

A. M. CANNON,
....Clerk U. S. District Court.

And afterwards, to wit, on Saturday, the 3 day of August, 1912, the same being the 29 Judicial day of the Regular July, 1912, Term of said Court: Present: the Honorable R. S. BEAN, United States District Judge presiding, the following proceedings were had in said cause, to-wit:

In the District Court of the United States for the District of Oregon.

ALFRED D. DANIELS,

Plaintiff,

vs.

RALPH E. BUTLER and D. W. DINEEN,

Defendants.

This cause having come on regularly to be heard by the Court upon the demurrer of the defendants to the amended bill of complaint of the above named plaintiff, and the defendants having appeared by their attorneys, Angell & Fisher, and the plaintiff having appeared by his attorneys, Messrs. Platt & Platt and Hugh Montgomery, and the Court having heard the arguments of counsel for the respective parties hereto, and having taken the said cause under advisement, and fully considered the same, and being now fully advised in the premises, and it appearing to the Court that said demurrer is well taken and should be in all respects sustained, and that said amended bill of complaint is without equity, and should be dismissed,

IT IS THEREFORE ORDERED, CONSIDERED, ADJUDGED AND DECREED by the Court that the said demurrer to said amended bill of complaint be, and the same is hereby, in and respects sustained, and that said amended bill of complaint be, and the same is hereby dismissed, and that said defendants have and recover of and from said plaintiff their costs and disbursements herein, taxed at $.....

Dated this 3rd day of August, 1912.

R. S. BEAN,

Judge.

And afterwards, to wit, on the 29 day of August, 1912, there was duly filed in said Court, a Petition for Appeal, in words and figures as folows, to wit:

[Petition for Appeal.]

In the District Court of the United States for the District of Oregon.

ALFRED D. DANIELS,

Plaintiff,

vs.

RALPH E. BUTLER and D. W. DINEEN,

Defendants.

The above named plaintiff, conceiving himself aggrieved by the order and decree made and entered in the above entitled cause on the 3rd day of August, 1912, does hereby appeal from said order and decree to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, for the reasons specified in the Assignment of Errors, which is filed herewith, and he prays that this appeal may be allowed, and that a transcript of the record, papers, and proceedings and all things concerning the same, duly authenticated may be sent to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, upon his filing a bond for the payment of all damages and costs if he fails to prosecute the said appeal to effect which bond shall act as a supersedeas bond.

ALFRED D. DANIELS,

By Platt & Platt and Hugh Montgomery, Solicitors for Plaintiff.

Hugh Montgomery,

of Counsel.

[Endorsed]: Petition for Appeal. Filed Aug. 29, 1912.

A. M. CANNON,
Clerk U. S. District Court.

An dafterwards, to wit, on the 29 day of August, 1912, there was duly filed in said Court, Assignments of Error, in words and figures as follows, to wit:

[Assignments of Error.]

In the District Court of the United States, for the District of Oregon.

ALFRED D. DANIELS,

Plaintiff,

vs.

RALPH E. BUTLER and D. W. DINEEN,

Defendants.

Assignment of Errors on Appeal.

Now on this 29th day of August, 1912, comes the above named plaintiff, Alfred D. Daniels, appearing by Messrs. Platt & Platt, and Hugh Montgomery, his solicitors of record, and says that in the record and proceedings of the above entitled Court, in the above entitled cause, and in the final order and decree entered therein on the 3rd day of August, 1912, there is manifest error, and that said order and decree is erroneous and against the rights of said plaintiff, and for error the said plaintiff assigns the following:

I.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that, by the admissions of the de-

murrer, the plaintiff, on the 8th day of April, 1904, made a valid forest lieu selection of the lands described in paragraph V of plaintiff's amended bill filed in said cause under and in accordance with the provisions of the Act of Congress of June 4th, 1897, set forth in paragraph VI of plaintiff's amended bill of complaint.

II.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that by the admissions of the demurrer, the forest lieu selection of the plaintiff, made upon the lands described in paragraph V of his amended bill of complaint, was prior in time and initiated a right and interest superior to the claim of any person or persons whomsoever, and particularly the defendants.

III.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that, by the admissions of the demurrer, the attempted timber and stone entry of the defendant, Ralph E. Butler,was subsequent in time and inferior in right to the forest lieu selection of the plaintiff.

IV.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that, by the admissions of the demurrer, the forest lieu selections of the plaintiff had been approved by the proper officers of the United States government, which approval gave the plaintiff a

vested interest in the land so selected.

V.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that, by the admissions of the demurrer, the alleged homestead entry of the defendant Ralph E. Butler, was made in contravention of the vested rights of the plaintiff herein.

VI.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that, by the admissions of the demurrer, the plaintiff was equitably entitled to be protected in the forest lieu selections which he had made on the lands described in paragraph V of his amended bill of complaint as against the claims of the defendants or any person or persons whomsoever.

VII.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint, in that it did not hold that, by the admissions of the demurrer, the plaintiff was equitably entitled to have the defendants declared trustees for the plaintiff of the lands described in paragraph V of his amended bill of complaint.

VIII

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that the bill of complaint stated a good cause of action to which the defendant should be required to file her answer or plea.

IX.

Because the above entitled court erred in sutaining the demurrer to plaintif's amended bill of complaint and decreeing that said amended bill of complaint be dismissed and allowing costs to the defendant.

X.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the defendant Ralph E. Butler, prior to the issuance of patent as alleged in paragraph XX of plaintinff's amended complaint, and without any consideration whatsoever therefor, and with full knowledge of the rights and equities of the plaintiff herein, attempted to sell, transfer, and convey all his right, title, and interest acquired under and by virtue of his said entry prior to the issuance of patent, to one John B. Mason, and said John B. Mason received the said pretended conveyance with like knowledge of the rights and equities of plaintiff herein, and said John B. Mason, without any consideration whatsoever moving to him, attempted to sell and transfer all his right, title, and interest to the defendant D. W. Dineen, which said pretended attempted conveyance was received by said D. W. Dineen with full knowledge of the rights and equities of the plaintiff herein.

WHEREFORE, the plaintiff and appellant prays that the decree of said court be reversed and such directions be given that full force and efficacy may enure to the plaintiff by reason of the cause of suit set up in his amended bill of complaint filed in said cause, and that

a decree be entered in accordance with the prayer of plaintiff's amended bill of complaint.

PLATT & PLATT & HUGH MONTGOMERY,
Solicitors for Plaintiff.

HUGH MONTGOMERY,
Of Counsel.

[Endorsed]: Assignment of Errors. Filed August 29, 1912. A. M. Cannon, Clerk U. S. Dist. Court.

And afterwards, to wit, on Thursday, the 29 day of August, 1912, the same being the 51 Judicial day of the regular July 1912 Term of said Court; present: the Honorable R. S. Bean, United States District Judge presiding, the following proceedings were had in said cause, to-wit:

[Order Allowing Appeal.]

In the District Court of the United States for the District of Oregon.

ALFRED D. DANIELS,
Plaintiff,

vs.

RALPH E. BUTLER and D. W. DINEEN,
Defendants.

This day came Alfred D. Daniels, plaintiff, appearing by Messrs. Platt & Platt and Hugh Montgomery, his solicitors of record, and presented his petition for an appeal and an assignment of errors accompanying the same which petition, upon consideration of the court, is hereby allowed, and the court allows an appeal to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, upon the filing of a bond in the sum

of $500 with good and sufficient surety to be approved by the court; and

It is further ordered that said bond shall act as a supersedeas bond; and

It is further ordered that a certified transcript of the record, and all proceedings herein be forthwith transmitted to the said United States Circuit Court of Appeals.

R. S. BEAN,
Judge.

Dated this 29th day of August, 1912.

And afterwards, to wit, on the 29 day of August, 1912, there was duly filed in said Court, a Bond on Appeal in words and figures as follows, to wit:

[Bond on Appeal.]

In the District Court of the United States, for the District of Oregon.

ALFRED D. DANIELS,
Plaintiff,

vs.

RALPH E. BUTLER and D. W. DINEEN,
Defendants.

KNOW ALL MEN BY THESE PRESENTS: That we, Alfred D. Daniels, as principal, and Fidelity & Deposit Company of Maryland, a corporation, surety, are held and firmly bound unto Ralph E. Butler and D. W. Dineen, in the full and just sum of five hundred ($500) dollars, to be paid to the said Ralph E. Butler and D. W. Dineen, their executors, to which payment, well and truly to be made, we bind ourselves our heirs, executors,

administrators, successors and assigns, jointly and severally, by these presents;

Sealed with our seals this 29th day of August, A. D. 1912.

WHEREAS, lately at the District Court of the United States for the District of Oregon, in a suit pending in said court between A. D. Daniels, plaintiff, and Ralph E. Butler, and D. W. Dineen, defendants, a decree was rendered against said plaintiff, Alfred D. Daniels, and said A. D. Daniels having petitioned an appeal and filed a copy thereof in the clerk's office in said court to reverse the same in the aforesaid suit, and a citation directed to the said Ralph E. Butler and D. W. Dineen, citing and admonishing them to be and appear at a session of the United States Circuit Court of Appeals for the Ninth Judicial Circuit to be holden in the city of San Francisco, in said Circuit, on the 28th day of September, A. D. 1912, having been served on said defendants;

NOW the condition of this obligation is such that, if the said Alfred D. Daniels shall prosecute his appeal to effect, and answer all damages and costs, if he shall fail to make his plea good, then the above obligation to be void, else to remain in full force and virtue.

ALFRED D. DANIELS,
By Platt & Platt,
His Solicitors of Record.

FIDELITY & DEPOSIT COMPANY OF MARYLAND,
By W. J. Clemen,
Agent.

[Seal] By Harrison G. Platt,
Attorney in Fact.

Examined and approved this 29th day of August, 1912.

R. S. BEAN,
District Judge.

[Endorsed]: Bond on Appeal. Filed August 29, 1912. A. M. Cannon, Clerk U. S. District Court.

And afterwards, to wit, on the 30 day of August, 1912, there was duly filed in said Court, a Citation on Appeal in words and figures as follows, to wit:

[Citation on Appeal.]

In the United States Circuit Court of Appeals for the Ninth Circuit.

ALFRED D. DANIELS,

Appellant,

vs.

RALPH E. BUTLER and D. W. DINEEN,

Appellees.

United States of America,
Ninth Judicial Circuit.—ss.

To Ralph E. Butler and D. W. Dineen, Greeting:

WHEREAS, Alfred D. Daniels, appellant in the above entitled suit has lately appealed to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, from a decree lately rendered in the District Court of the United States for the District of Oregon, made in favor of you, the said Ralph E. Butler and D. W. Dineen, and has filed the security required by law:

you are, therefore, hereby cited to appear before the said United States Circuit Court of Appeals at the city of San Francisco, state of California, on the 28th day of September, next, to do and receive what may pertain to justice to be done in the premises.

Given under my hand at the city of Portland in the Ninth Judicial Circuit this 29th day of August, in the year of our Lord, one thousand nine hundred and twelve.

R.S. BEAN,

Judge of the District Court of the United States for the District of Oregon.

United States of America,
District of Oregon.—ss.

Due service of the within Citation to Appellees, by certified copy thereof, as required by law, is hereby acknowledged at Portland, Oregon, this 30 day of August, 1912.

ANGELL & FISHER,
Of Attorneys for Appellees.

[Endorsed]: Citation on Appeal. Filed Aug. 30, 1912. A. M. Cannon, Clerk U. S. Dist. Court.

And afterwards, to wit, on Saturday, the 28 day of September, 1912, the same being the 77 Judicial day of the Regular July, 1912 Term of said Court; Present: the Honorable R. S. Bean, United States District Judge presiding, the following proceedings were had in said cause, to-wit:

[Order Enlarging Time to File Record.]

In the District Court of the United States for the District of Oregon.

No. 3550.

A. D. DANIELS,

Plaintiff,

vs.

RALPH E. BUTLER, et al.

September 28, 1912.

Now, at this day, for good cause shown, It is Ordered that the plaintiff's time for filing and docketing the record on appeal in this cause in the United States Circuit Court of Appeals, Ninth Circuit, be, and the same is hereby, enlarged and extended ninety (90) days from this date.

R. S. BEAN,
Judge.

No. 2213

IN THE

UNITED STATES CIRCUIT COURT OF APPEALS

FOR THE NINTH CIRCUIT.

ALFRED D. DANIELS,

Appellant,

vs.

RALPH E. BUTLER and D. W. DINEEN,

Appellees.

Proceedings had in the United States Circuit Court of Appeals for the Ninth Circuit.

At a stated term, to wit, the October Term, A. D. 1913, of the United States Circuit Court of Appeals for the Ninth Circuit, held in the courtroom thereof, in the City and County of San Francisco, in the State of California, on Thursday, the sixth day of February, in the year of our Lord one thousand nine hundred and thirteen. Present: The Honorable WILLIAM B. GILBERT, Circuit Judge; Honorable WILLIAM W. MORROW, Circuit Judge; Honorable CHARLES E. WOLVERTON, District Judge.

No. 2232.

ALFRED D. DANIELS,

Appellant,

vs.

RALPH E. BUTLER and D. W. DINEEN,

Appellees.

Order of Submission in U. S. Circuit Court of Appeals.

ORDERED, appeal in the above-entitled cause argued by Mr. Hugh Montgomery, counsel for the appellant, and by Mr. Homer D. Angell, counsel for the appellees, and submitted to the Court for consideration and decision.

In the United States Circuit Court of Appeals for the Ninth Circuit.

A. D. DANIELS,

Appellant,

vs.

JESSIE E. WAGNER,

Appellee.

Opinion U. S. Circuit Court of Appeals.

PLATT & PLATT and HUGH MONTGOMERY, for the Appellant.

ANGELL & FISHER, F. H. MILLS, ARTHUR I. MOULTON and P. A. LAFFERTY, for the Appellees.

Before GILBERT and MORROW, Circuit Judges, and WOLVERTON, District Judge.

The decision in this case involves the merits of sixteen suits pending in this court on appeal, in all of which A. D. Daniels, the appellant, was the complainant in the court below. The object of each suit was to obtain a decree declaring the defendants therein holders of the legal title to the land described in each case as trustees for said complainant. Demurrers to the bills for want of equity were sustained, and from the decrees thereupon rendered dismissing the bills, the appeals are taken.

The allegations in the bills are substantially the same. In the case which is above-entitled the allegations are in substance the following: That on and prior to April 12, 1902, Edward B. Perrin and the Aztec Land & Cattle Company, Ltd., a corporation,

each owned certain lands in fee simple in the Territory of Arizona; that on that date those lands were included within the limits of the San Francisco Mountains Forest Reserves, and that thereafter, on February 2, 1904, under the provisions of the Act of Congress of June 4, 1897, the said land owners relinquished and conveyed to the United States their interest in said lands, and on February 8, 1904, they made lieu selections of certain public lands in Klamath County, Oregon, for the benefit of the complainant; that the selections were perfected by presenting the recorded deed, together with a full, true and correct abstract of title showing that the selectors were the owners in fee simple of the lands relinquished; that on or about June 28, 1902, the State of Oregon had filed upon the lands so selected certain instruments purporting to be school indemnity lists, and before the approval of the lists, had sold the lands to the complainant, but that thereafter, owing to the invalid character of the base lands tendered in said lists, the lists were held for cancellation, and in March and August, 1904, were finally cancelled and relinquishments of said lists were filed on behalf of the State of Oregon; that prior to such cancellation, the State of Oregon acting through the officers of the State Land Board, sold to various *bona fide* purchasers for value the timber lands upon which the said school indemnity lists had been filed, and that the appellant in good faith purchased the said lands from the State of Oregon; that thereafter, discovering that the State had no right, title or interest in said lands so conveyed, the forest lieu selections al-

ready referred to were made for the purpose of protecting complainant's interest in said lands; that at the time of making their selections, the selectors filed with their selections relinquishments from the State of Oregon of any rights which it might have acquired by virtue of the school indemnity lists so filed by it; that after making such lieu selections and filing such relinquishments, the officers of the Land Office at Lakeview, Oregon, having allowed other entries to be made upon the lands so selected by homestead, timber and stone applications for the lands, rejected the selections so made by the complainant's predecessors in interest; that upon appeal to the Commissioner of the General Land Office, the action of the Register and Receiver at Lakeview was affirmed; that the Commissioner advanced as a further reason for the rejection that at the time when the lieu selections were presented at the local land office, the State indemnity school selections had not been cancelled or relinquished; that the State of Oregon executed relinquishments and the same were filed in the Land Office, bearing the file-mark of February 10, 1904; that the relinquishments were forwarded to the Commissioner of the General Land Office, and on March 7, 1904, he advised the Register and Receiver at Lakeview that the relinquishments had been received, and directed them to make due notation that the lists were cancelled, "leaving the lands open to entry by the first legal applicants"; that thereafter the appellee made application for the land at the local land office, and his filing was accepted; that thereafter various proceedings were had in the Land Department, con-

cerning the land so entered, and on August 10, 1907, the Secretary of the Interior instructed the Commissioner to order a hearing, that a full investigation might be had of the whole matter; that upon the hearing the local land office found that the lands had been entered by *bona fide* settlers or purchasers, to many of whom certificates, and in some instances, patents had issued; that the Register and Receiver accordingly recommended that such entries be allowed to remain, and the Secretary of the Interior finally so decided on February 17, 1910, holding that the greater equities were with the Homestead and Stone and Timber entrymen, and that in the discretion of the Secretary, such entries might be protected against the right of the scrip applications, and said: "It matters not if Daniels' application was in all respects regular and might have been allowed when presented; yet it was within the competency of the Land Department to dispose of the said lands to other persons, and having done so, Daniels will not now be heard to question the correctness of that disposition."

GILBERT, Circuit Judge, after stating the case:

The appellant contends that by virtue of his offer to select the lands in question, and the tender in exchange therefor of a deed and abstract of title to the lands offered for surrender, he thereby became the equitable owner of the lands so sought to be selected, notwithstanding that his selection was rejected by the officers of the local land office, and that their rejection was affirmed by the Secretary of the Interior, and that the patent having issued to the appellees,

when in equity and good conscience, and according to law, it should have gone to the appellant, the Court should convert the holder of the legal title into a trustee for the appellant, and compel conveyance of the legal title to him.

In considering, in the light of the adjudications, the question here presented, it is essential to bear in mind the distinction between the right acquired by a Railroad Company, under a congressional grant of lands to aid the construction of a railroad, to select within the indemnity limits lands in lieu of those which are lost in the place limits, and the right of a lieu land selector under the Act of June 4, 1897. The former is a substantial right in the lands lying in the indemnity limits, given in consideration of the construction of a railroad, and is confined to specific lands within certain boundaries which are defined in the grant. It is a vested right, of which the grantee could not be deprived, by an Act of Congress or by other authority. In Weyerhaeuser vs. Hoyt, 219 U. S. 387, the Court declared that it was the intention of Congress in making such a grant, "to confer a substantial right to land within the indemnity limits in lieu of land lost within the place limits." The right of selection of lieu land given under the Act of June 4, 1897, however, is in the first instance but an offer by the Government to exchange lands. It is based upon no valuable consideration actually received. It attaches to no specific lands, nor to lands within any defined limits. It does not attach upon the mere presentation of the requisite papers. It attaches only when the authorized officers of the Gov-

ernment accept the offer to exchange. Nor is it true that the filing of the lieu selection papers and the acceptance of the same by the local Land Office segregates the land upon which the filing is made so as to cut off intervening and subsequent rights as against the lieu selectors. In Roughton vs. Knight, 219 U. S. 537–547, in construing the Act of June 4, 1897, the Court said: "Manifestly there must be an acceptance of the relinquishment by someone authorized to decide upon its sufficiency, and an assent to the particular selection made in lieu." In Cosmos Exploration Co. vs. Gray Eagle Oil Co., 190 U. S. 310, lieu land had been selected under the Act of June 4, 1897. The selector complied with the provisions of the Act. His selection was received and accepted, and entered on the records of the local land office. At that time there was no adverse claim. Before the issuance of a patent, the selector's grantee brought a suit against the defendants, who had entered the land as a mineral claim, he claiming that his grantor had become vested with the complete equitable title to the land so selected, and had become entitled to receive a patent. The Court held that it had no jurisdiction prior to the issuance of the patent to determine who was entitled to receive it, and that under the Act of June 4, 1897, the officers of the local land office had no authority to decide whether the selector had complied with the provisions of the Act, that authority being vested in the Commissioner of the General Land Office. The Court said: "But even the complete equitable title asserted by a complainant must, as it would seem, be based upon the alleged right of

the local land officers to accept the deed and approve the selection, even though such approval may be thereafter the subject of a review in the nature of an appeal from the action of the local officers. There must be a decision made somewhere regarding the rights asserted by the selector of land under the Act before a complete equitable title to the land can exist. The mere filing of papers cannot create such title. The application must comply with and conform to the statute, and the selector cannot decide the question for himself. We do not see how it can be successfully maintained that without any decision by any official representing the Government, and by merely filing the deed relinquishing to the Government a tract of forest reserve land, and assuming to select a similar area of vacant land open to settlement, the selector has thereby acquired a complete equitable title to the selected land." It is urged that this language of the Court is *dictum*, but we do not so regard it. It contains the reasoning of the Court in determining the nature of the rights of the complainant in that case. But if, indeed, it is true that the expression of such views was unnecessary to the determination of the case which was before the Court, the language used sets forth the mature and unanimous judgment of the members of that court on the question of law which is involved in the case at bar, and we deem it controlling in the decision of the present case.

Nor do we find ground to sustain the appellant's contention that the views of the Court so expressed in the Cosmos Exploration Company case have been

modified by the decision in Weyerhaeuser vs. Hoyt, 219 U. S. 380. That was a case which involved the right of a railroad company to select lands within the indemnity limits of its grant. The Court held that selections of lieu lands filed with the Secretary of the Interior excluded the right of others to appropriate the lands embraced therein pending action by the Secretary, and that the railroad company's rights to such lieu lands so selected were superior to those of a purchaser under the Timber and Stone Act who filed pending final decision by the Secretary, and that the final decision by the Secretary related back to the date of the original selections. Prior to that time, the Court had said, in New Orleans Pacific Ry. Co. vs. Parker, 143 U. S. 57: "As to lands within the indemnity limits, it has always been held that no title is acquired until the specific parcels have been selected by the grantee and approved by the Secretary of the Interior." The same was held in Humbird vs. Avery, 195 U. S. 507. In Wisconsin Central Ry. Co. vs. Price County, 133 U. S. 496, 512, the Court said: "Until the selections were approved there were no selections in fact, only preliminary proceedings taken for that purpose; and the indemnity lands remained unaffected in their title"; and in Sjoli vs. Dreschel, 199 U. S. 565, the Court held it to be established doctrine "that no rights to lands within indemnity limits will attach in favor of the railroad company until after selections made by it with the approval of the Secretary of the Interior; that up to the time such approval is given, lands within indemnity limits, although embraced by the company's list

of selections, are subject to be disposed of by the United States, or to be settled upon and occupied under the pre-emption and homestead laws of the United States; and, That the Secretary of the Interior has no authority to withdraw from sale or settlement lands that are within indemnity limits which have not been previously selected, with his approval, to supply deficiencies within the place limits of the company's road." In the Weyerhaeuser case, the Court distinguished the Sjoli case by saying that it belonged to a class of cases in which there was no question of right by relation involved, and that the general language which we have quoted from the opinion was to be considered in view of the questions which were presented in that case, and that to apply it in the Weyerhaeuser case would be in effect to destroy the indemnity provisions of the Granting Act. No reference was made to the decision in the Cosmos Exploration Company case, and this was evidently for the reason that the language of the Court in that case was deemed to be applicable solely to the right of selection granted by the Act of June 4, 1897, and that the Court recognized and intended to reaffirm the vital distinction which it had found between such rights and the rights of a selector of indemnity lands under a grant to a railway company in aid of the construction of its road. Stalker vs. Oregon Short Line, 225 U. S. 142, is in line with Weyerhaeuser vs. Hoyt and so is Svor vs. Morris, 227 U. S. 524. We consider the decision in the Cosmos Exploration Company case authority for sustaining the decree of the court below. But there is additional ground for sus-

taining it in the fact that, at the time when the appellant's selection was initiated on February 8, 1904, the lands involved herein appeared upon the records of the local land office as selected by the State of Oregon by certain school indemnity lists, and that those lists were not relinquished by the state until February 10, 1904. This sufficiently appears from the decision of the Secretary of the Interior, which is made an exhibit to the bill and is controlling in so far as it varies from the allegations of the bill. Greenameyer vs. Coate, 212 U. S. 434, 443.

The decree in each of the sixteen suits, Nos. 2212–2227, is affirmed.

[Endorsed]: Filed May 5, 1913. F. D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

United States Circuit Court of Appeals for the Ninth Circuit.

No. 2213.

ALFRED D. DANIELS,

Appellant,

vs.

RALPH E. BUTLER and D. W. DINEEN,

Appellees.

Decree, U. S. Circuit Court of Appeals.

Appeal from the District Court of the United States for the District of Oregon.

This cause came on to be heard on the Transcript of the Record from the District Court of the United

States for the District of Oregon and was duly submitted.

On consideration whereof, it is now here ordered adjudged, and decreed by this Court that the decree of the said District Court in this cause be, and hereby is, affirmed with costs in favor of the appellees and against the appellant. It is further ordered, adjudged and decreed by this Court, that the appellees recover against the appellant for their costs herein expended, and have execution therefor.

[Endorsed]: Filed and entered May 5, 1913. F. D. Monckton, Clerk.

[Title of Court and Cause.]

Petition for Allowance of Appeal to Supreme Court of the United States.

PETITION FOR APPEAL FROM THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE NINTH CIRCUIT TO THE SUPREME COURT OF THE UNITED STATES.

The above-mentioned appellant, Alfred D. Daniels, respectfully shows that the above-entitled cause is now pending in the United States Circuit Court of Appeals for the Ninth Circuit and that a decree has therein been rendered, on the fifth day of May, A. D. 1913, affirming the decree of the District Court of the United States for the District of Oregon, and that the matter in controversy in said suit exceeds one thousand dollars, besides costs; that this cause is one involving the construction and application of a stat-

ute of the United States, to wit, Act of June 4, 1897, 30 Statutes at Large, 36 (U. S. Comp. Stats. 1901, p. 1541), and in which the decree of the United States Circuit Court of Appeals for the Ninth Circuit is not final, and is a proper cause to be appealed to the Supreme Court of the United States.

The above-named appellant, conceiving himself aggrieved by the decree made and entered in the above-entitled court and cause on the fifth day of May, 1913, does hereby appeal from said decree to the United States Supreme Court, for the reasons specified in the assignment of errors, which is filed herewith.

WHEREFORE, the said appellant prays that an appeal be allowed him in the above-entitled cause, directing the clerk of the United States Circuit Court of Appeals for the Ninth Circuit to send the record and proceedings in said cause, with all things concerning the same, to the Supreme Court of the United States, in order that the errors complained of in the assignment of errors, herewith filed by the said appellant, may be reviewed, and, if error be found, corrected according to the laws and customs of the United States.

PLATT & PLATT,
Solicitors for Appellant.

[Endorsed]: Filed Jun. 2, 1913. Frank D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

[Title of Court and Cause.]

Assignment of Errors on Appeal to Supreme Court of the United States.

COMES NOW the appellant, Alfred D. Daniels, by Platt & Platt, his solicitors, and says that in the record and proceedings herein there is manifest error, and assigns error thereto as follows:

The United States Circuit Court of Appeals for the Ninth Circuit erred in affirming the decree of the United States District Court for the District of Oregon sustaining the demurrer of appellees to appellant's amended bill of complaint and dismissing appellant's amended bill of complaint.

First. Because the demurrer to appellant's amended bill of complaint admits that on the 9th day of February, 1904, the appellant made a valid forest lieu selection of the land, described in paragraph V of appellant's amended bill filed in said cause, under and in accordance with the provision of the Act of Congress of June 4, 1897, set forth in paragraph VI of appellant's amended bill of complaint.

Second. Because the demurrer to appellant's amended bill of complaint admits that the forest lieu selection of appellant, made upon the lands described in paragraph V of his amended bill of complaint, was prior in time and initiated a right and interest superior to the claim of any person or persons whomsoever, and particularly to that of the appellees.

Third. Because the demurrer to appellant's amended bill of complaint admits that the attempted

timber and stone entry of the appellee, Ralph E. Butler, was subsequent in time and inferior in right to the forest lieu selection of the appellant.

Fourth. Because the demurrer to appellant's amended bill of complaint admits that the forest lieu selections of appellant had been approved by the proper officers of the United States Government, which approval gave appellant a vested interest in the land so selected.

Fifth. Because the demurrer to appellant's amended bill of complaint admits that the alleged timber and stone entry of the appellee, Ralph E. Butler, was made in contravention of the vested rights of the appellant herein to the land described in paragraph V of appellant's amended bill of complaint.

Sixth. Because the demurrer to appellant's amended bill of complaint admits that the appellant was equitably entitled to be protected in the forest lieu selection which he had made on the lands described in paragraph V of his amended bill of complaint as against the claims of the appellees, or any person or persons whatsoever.

Seventh. Because the demurrer to appellant's amended bill of complaint admits that the appellant was equitably entitled to have the appellees declared trustees, for the appellant, of the lands described in paragraph V of appellant's amended bill of complaint.

Eighth. Because the demurrer to appellant's amended bill of complaint admits that the Oregon school indemnity lists, covering the lands described in paragraph V of appellant's amended bill of com-

plaint, were relinquished simultaneously with the filing of the forest lieu selections by appellant.

Ninth. Because the demurrer to appellant's amended bill of complaint admits that the relinquishments of the Oregon school indemnity lists were filed on February 8, 1904.

Tenth. Because the demurrer admits that the appellee, Ralph E. Butler, prior to the issuance of patent, as alleged in paragraph XX of appellant's amended complaint, and without any consideration whatsoever therefor, and with full knowledge of the rights and equities of appellant herein, attempted to sell, transfer and convey all his right, title and interest, acquired under and by virtue of his said entry, to one John B. Mason, and said John B. Mason received the said pretended conveyance with like knowledge of the rights and equities of appellant herein; and said John B. Mason, without any consideration whatsoever moving to him, attempted to sell and transfer all his right, title and interest to the appellee, D. W. Dineen, which said attempted conveyance was received by said D. W. Dineen with full knowledge of the rights and equities of the appellant herein.

Eleventh. Because the appellant's amended bill of complaint stated a good cause of suit to which the appellees should have been required to file their answers or pleas.

Twelfth. Because the decree of said District Court should have been reversed and the demurrer to appellant's amended bill of complaint overruled.

WHEREFORE, the appellant prays that the decree of the United States Circuit Court of Appeals

for the Ninth Circuit be reversed, and such directions be given that force and efficacy may inure to the appellant by reason of the cause of suit set up in his amended bill of complaint filed in said cause, and that a decree be entered in accordance with the prayer of appellant's amended bill of complaint.

PLATT & PLATT,
Solicitors for Appellant.

[Endorsed]: Filed Jun. 2, 1913. Frank D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

[Title of Court and Cause.]

Order Allowing Appeal to Supreme Court U. S. and Fixing Amount of Bond.

IT IS HEREBY ORDERED, that the appeal in the above-entitled case to the Supreme Court of the United States be, and the same is hereby, allowed as prayed.

AND IT IS FURTHER ORDERED that the amount of the appeal and supersedeas bond be, and the same hereby is, fixed at $500.00.

Dated this third day of June, 1913.

WM. B. GILBERT,
United States Circuit Judge, Ninth Circuit.

[Endorsed]: Filed Jun. 5, 1913. F. D. Monckton, Clerk.

[Title of Court and Cause.]

Bond on Appeal to Supreme Court U. S.

KNOW ALL MEN BY THESE PRESENTS, that we, Alfred D. Daniels, as principal, and Fidelity

& Deposit Company of Maryland, a corporation, as surety, are held and firmly bound unto Ralph E. Butler and D. W. Dineen in the full and just sum of Five Hundred Dollars ($500.00), lawful money of the United States of America, to be paid to the said Ralph E. Butler and D. W. Dineen, to which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, by these presents.

Sealed with our seals this 3d day of June, 1913.

WHEREAS, the appellant in the above-entitled suit is prosecuting an appeal to the United States Supreme Court to reverse the decree rendered and entered in said cause in the United States Circuit Court of Appeals for the Ninth Circuit on the 5th day of May, 1913;

NOW, THEREFORE, the condition of this obligation is such, that if the said appellant shall prosecute said appeal to effect, and answer all damages and costs if he fails to make said appeal good, then this obligation shall be void; otherwise to remain in full force and effect.

ALFRED D. DANIELS. [Seal]
By PRATT & PRATT,
His Solicitors of Record.

FIDELITY & DEPOSIT CO. OF MARYLAND. [Seal]
By ROBERT T. PLATT,
Attorney in Fact.
CHESTER W. HANSEN,
Agent.

Examined and approved this 3d day of June, 1913.

WM. B. GILBERT,
Circuit Judge for the Ninth Circuit.

[Endorsed]: Filed Jun. 5, 1913. F. D. Monckton, Clerk.

[Title of Court and Cause.]

Praecipe for Record on Appeal to Supreme Court of the United States.

To the Clerk of the said Court:

Sir: Please issue a certified Transcript of the Record on appeal to the Supreme Court of the United States in the above-entitled cause, consisting of the following:

1. Copy of Printed Transcript of Record on which case was heard in the Circuit Court of Appeals, to which will be added a Copy of the following-entitled papers that were filed, and of the Proceedings that were had in said Circuit Court of Appeals, viz.:

2. Order of Submission;

3. Opinion;

4. Decree;

5. Petition for Appeal to Supreme Court U. S.; and Order thereon;

6. Bond on Appeal to Supreme Court U. S.;

7. Assignment of Errors;

8. Praecipe for Certified Transcript of Record on Appeal to Supreme Court U. S.;

9. Certificate of Clerk U. S. C. C. A. to Transcript of Record on Appeal to Supreme Court U. S., and

10. Original Citation on Appeal to Supreme Court U. S.

PLATT & PLATT,
Solicitors for Appellant.

United States of America,
Ninth Judicial Circuit,—ss.

Due service of the within Praecipe for Transcript on Appeal to Supreme Court U. S. is hereby acknowledged, and certified copy thereof received, at Portland, Oregon, this 7th day of June, 1913.

ANGELL & FISHER,
Of Solicitors for Appellees.

[Endorsed]: Filed Jun. 10, 1913. F. D. Monckton, Clerk.

In the United States Circuit Court of Appeals for the Ninth Circuit.

No. 2213.

ALFRED D. DANIELS,

Appellant,

vs.

RALPH E. BUTLER and D. W. DINEEN,

Appellees.

Certificate of Clerk U. S. Circuit Court of Appeals to Transcript of Record on Appeal to the Supreme Court of the United States.

I, Frank D. Monckton, as Clerk of the United States Circuit Court of Appeals for the Ninth Circuit, do hereby certify the foregoing seventy-two (72) pages, numbered from and including one (1) to and including seventy-two (72), to be a full, true and correct copy of the complete record in the above-entitled cause, prepared pursuant to praecipe therefor filed by counsel for the appellant, including all proceedings had therein, and including the Opinion and the Assignment of Errors filed therein, as the same remain on file and appear of record in my office and that the same, together, constitute the Transcript of Record in said cause on Appeal to the Supreme Court of the United States.

Attest my hand and the seal of the said the United States Circuit Court of Appeals for the Ninth Circuit, at the City of San Francisco, in the State of California, this twentieth day of June, A. D. 1913.

[Seal] F. D. MONCKTON,
Clerk.

In the United States Circuit Court of Appeals for the Ninth Circuit.

No. 2213.

ALFRED D. DANIELS,

Appellant,

vs.

RALPH E. BUTLER and D. W. DINEEN,

Appellees.

Citation on Appeal to Supreme Court U. S.

United States of America,
Ninth Circuit,—ss.

To Ralph E. Butler and D. W. Dineen, Greetings:

You, and each of you, are hereby cited and admonished to be and appear in the Supreme Court of the United States, at the City of Washington, in the District of Columbia, sixty (60) days after the date of this citation, pursuant to an appeal filed in the clerk's office of the United States Circuit Court of Appeals for the Ninth Circuit, wherein Alfred D. Daniels is appellant, and you are appellees, to show cause, if any there be, why the decree rendered against said appellant, as in said appeal mentioned, should not be corrected, and why speedy justice should not be done the parties in that behalf.

WITNESS the Honorable W. B. GILBERT, Judge of the United States Circuit Court of Appeals for the Ninth Circuit, this 6th day of June, A. D. 1913.

WM. B. GILBERT,
Circuit Judge.

United States of America,
Ninth Judicial Circuit,—ss.

Due service of the within Citation to appellees is hereby acknowledged, and certified copy thereof received, at Portland, Oregon, this 7th day of June, 1913.

ANGELL & FISHER,
Of Solicitors for Appellees.

[Endorsed]: No. 2213. In the United States Circuit Court of Appeals for the Ninth Circuit. Alfred D. Daniels, Appellant, vs. Ralph E. Butler and D. W. Dineen, Appellees. Citation. Filed Jun. 10, 1913. F. D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

[Endorsed on Cover.]

File No. 23,816.

U. S. Circuit Court Appeals, 9th Circuit.

Term No. 665.

ALFRED D. DANIELS, Appellant,
vs.
RALPH E. BUTLER and D. W. DINEEN.

Filed August 2d, 1913.

File No. 23,816.

[illegible]

[illegible]

[illegible]

No. 2214

IN THE

United States Circuit Court of Appeals

NINTH CIRCUIT

A. D. DANIELS,

Appellant,

vs.

EDGAR B. CONNER and D. W. DINEEN,

Appellees.

Upon Appeal from the United States District Court for the District of Oregon

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TRANSCRIPT OF RECORD.

FILED
JAN 2 - 1913
F. D. MONCKTON,
CLERK

IN THE

United States Circuit Court of Appeals

NINTH CIRCUIT

A. D. DANIELS,

Appellant,

vs.

EDGAR B. CONNER and D. W. DINEEN,

Appellees.

Names and Addresses of Attorneys Upon This Appeal:

For the Appellant:

PLATT & PLATT and HUGH MONTGOMERY,
Board of Trade Bldg., Portland, Oregon

For the Appellees:

ANGELL & FISHER,
Fenton Bldg., Portland, Oregon

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In the District Court of the United States for the District of Oregon.

Be it Remembered, that on the 17 day of May, 1912, there was duly filed in the District Court of the Unite dStates for the District of Oregon, an Amended Bill of Complaint, in words and figures as follows, to wit:

[Amended Bill of Complaint.]

In the District Court of the United States, for the District of Oregon.

A. D. DANIELS,

Plaintiff,

vs.

EDGAR B. CONNER AND D. W. DINEEN,

Defendants.

To the Honorable Judges of the District Court of the United States in and for the District of Oregon:

A. D. Daniels, a citizen and inhabitant of the State of Wisconsin, residing at Rhinelander in said state, with leave of court first had and obtained, brings this, his amended bill of complaint, against D. W. Dineen, a resident and inhabitant of the state of California, and residing at Cloverdale in said state, and Edgar B. Conner, a resident and inhabitant of the state of Washington, and residing at Olympia in said state.

And thereupon your orator complains and says:

I.

That at all times herein mentioned plaintiff was and is a resident and inhabitant of the state of Wisconsin, residing at Rhinelander in said state.

II.

And thereupon your orator further shows unto your Honors:

That at all times herein mentioned defendant, D. V. Dineen, was and is a resident and inhabitant of the state of California, residing at Cloverdale in said state, and that defendant Edgar B. Conner was and is a resident and inhabitant of the state of Washington, residing at Olympia, in said state.

III.

And thereupon your orator further shows unto your Honors:

That prior to the 12th day of April, A. D., 1902, Edward B. Perrin was the owner in fee simple, free of any lien or incumbrances, of that certain property located in the territory of Arizona, and particularly described as follows, to wit:

> The south half of section five, township twenty-two north, range one east; and the south half of section three, township twenty-two north, range two east; and the south half of section thirty-five, township twenty-two north, range three east, and lots one and two, section one, township twenty-three north, range three east, and lot two, section one, lot three, section five, and the north half of the northeast quarter, section twenty-one, township twenty-three north, range four east, G. & S. R. M., Arizona,

and was the owner in fee simple of said property described in paragraph III of this amended complaint,

up until the 2nd day of February, 1904.

IV.

And thereupon your orator further shows unto your Honors:

That on or about the 12th day of April, 1902, the said described lands, mentioned in paragraph III of this amended bill of complaint, were included within the limits of the San Francisco Mountains Forest Reserve, pursuant to a proclamation of the President of the United States made on or about the 12th day of April, 1902, which said lands were then, and still are, non-mineral lands.

V.

And thereupon your orator further shows unto your Honors:

That on the 8th day of February, 1904, that certain property situated within the District of Oregon, located in the County of Klamath, in the State of Oregon, and particularly described as follows, to-wit:

> Lot three, section two, township thirty-seven south, range ten east of Willamette Meridian,

was surveyed, unappropriated, and vacant public land of the United States, returned and characterized upon the official records of the United States as non-mineral land, free and open to entry and settlement under and in accordance with the laws of the United States governing the acquisition of public lands.

VI.

And thereupon your orator further shows unto your Honors:

That on or about the 4th day of June, 1897, the Congress of the United States passed an act entitled: "An act making appropriation for sundry civil expenses of the government, for the fiscal year ending June 30, 1898, and for other purposes:" which act provides, among other things, as follows, to-wit:

> "That in cases in which a tract covered by an unperfected bona fide claim, or by patent, is included within the limits of a forest reservation, the settler or owner thereof may, if he desires to do so, relinquish the tract to the government, and may select in lieu thereof a tract of vacant land open to settlement not exceeding in area the tract covered by his claim or patent, and no charge shall be made in such cases for making the entry of record, or issuing the patent to cover the tract selected: Provided further, that in cases of unperfected claims the requirements of the laws respecting settlement, residence, improvements, etc., are complied with on the new claims, credit being allowed for the time spent on the relinquished claim."

VII.

And thereupon your orator further shows unto your Honors:

That on the 2nd day of February, 1904, the said Edward B. Perrin did, in accordance with the provisions and requirements of the act of Congress of June 4, 1897, set forth in paragraph VI of this amended complaint, relinquish and convey unto the United

States of America those certain tracts of land hereinbefore described in paragraph III of this amended complaint, and recorded the deed of conveyance in the office of the recorder of the county in which the said lands are situated, and subsequently, and on the 8th day of February, 1904, filed with the Register and Receiver of the United States land office at Lakeview, Oregon, the said deed so recorded, together with a full, true and correct abstract of title of the lands so relinquished, duly certified as such by the county recorder of the county in which the lands are situated, which abstract of title showed him to be the owner in fee simple of said lands, free and clear of any lien or incumbrances, immediately prior to the time the deed to the United States was recorded, and thereupon and at the time selected in lieu of said lands so relinquished,

> Lot three, section two, township thirty-seven south range ten east of Willamette Meridian,

together with other lands, which selection so made was prior in time to the selection or entry of any other person or persons whomsoever, and, by virtue of said selection, there was initiated a right and interest prior in time and superior in right as against all persons whomsoever.

VIII.

And thereupon your orator further shows unto your Honors:

That regardless of said selection so made as alleged in paragraph VII of this amended complaint, the

defendant, Edgar B. Conner, did, on May 31st, 1904, attempt to make a timber and stone entry upon the land described in paragraph V of this amended complaint.

IX.

And thereupon your orator further shows unto your Honors:

That on or about the 28th day of June, 1902, the state of Oregon filed upon the said tract so selected, together with certain other lands, certain instruments purporting to be school indemnity lists, which lists were numbered lists 178 and 188 respectively, which said lists were duly and regularly accepted and filed by the Register and Receiver of the United States land office at Lakeview, Oregon, and thereupon were regularly transmitted to the Commissioner of the General Land Office of the United States government at Washington, D. C., to await the acceptance and approval of the land department of the United States government, but that, owing to the invalid character of the base lands tendered in said lists, the said lists were held for cancellation, and were subsequently canceled upon relinquishments of said lists filed on behalf of the State of Oregon, on the 8th day of February, 1904.

X.

And thereupon your orator further shows unto your Honors:

That prior to the said cancellation of said school indemnity lists 178 and 188, and before any action whatsoever had been taken by the proper officers of the

land department of the United States, except said Register and said Receiver, relative to the acceptance and rejection of the said indemnity lists, the state of Oregon, acting through the officers of the Oregon state land board, sold to various bona fide purchasers, for value, the timber lands upon which the said school indemnity lists 178 and 188 had been filed, and the said state had not at the time of such sale, nor has it at any time since, ever acquired or owned any right, title, or interest in or to the said lands upon which the said lists were filed, including those lands more particularly described in paragraph V of this amended bill of complaint, which said lands described in said paragraph V were, for a valuable consideration, and in good faith, and without any knowledge whatsoever of the irregularity of the proceedings which had taken place in connection with the sale thereof, or of the invalid character of the base lands which were tendered to the Federal government as the basis for the said selection by the State of Oregon, purchased from the said state of Oregon by the plaintiff herein.

XI.

And thereupon your orator further shows unto your Honors:

That subsequently and upon the discovery of the fact that all the proceedings in connection with the attempt to acquire said lands by filing of said lists 178 and 188, so filed as aforesaid, and more particularly those lands hereinbefore described in paragraph V of this amended bill of complaint, were irregular, and

that by virtue of the filing of said lists the state of Oregon had acquired no interest and did not then have any right, title, or interest in or to the said lands so selected, owing to the invalid character of the base land which had been tendered in exchange therefor, and the further fact that the said selected land had, nevertheless, been sold by the state of Oregon to many innocent purchasers for value, the state of Oregon, acting through the Honorable George E. Chamberlain, its governor, entered into negotiations with the Department of the Interior of the United States, for the purpose of arriving at some arrangement wherein and whereby the interest of these bona fide purchasers from the state might be protected, and as a result of such negotiations, and on or about the 17th day of October, 1908, a letter was promulgated and transmitted to the governor of the state of Oregon by the Honorable Secretary of the Interior of the United States, of which letter the following is in part substantially a copy, to wit:

> "It (the state) may within sixty days allowed for appeal amend its selection by the substitution of a valid base, or, if unable to furnish such a base, it may, upon receipt of notice that the selection is held for cancellation, make a formal relinquishment of the selection, and give same to its grantee. While the selection is of record unconveyed the land is segregated thereby, and no right can be acquired by the presentation of an application therefor (29 L. D. 29), but

the purchaser holding the state's relinquishment may present it with his application, and thereby secure the right of entry."

VIII.

And thereupon your orator further shows unto your Honor:

That thereafter and in accordance with the terms of the arrangement then agreed upon, as evidenced by the said letter of the Secretary of the Interior, the said last selection so made as alleged in paragraph VII of this amended bill of complaint was made by the said Edward B. Ferris, by P. D. Brumby, his attorney in fact, in the interest and for the benefit of the plaintiff herein, and for the purpose of protecting the interests of the plaintiff in and to said selected land acquired by virtue of the purchase so made by the plaintiff from the state of Oregon, as alleged in paragraph X of this amended complaint, and at the time of making said last selection so made as alleged in said paragraph VII, and on the 8th day of February, 1906, the said last selector, the said Edward B. Ferris, by P. D. Brumby, his attorney in fact, presented, simultaneously with and together with his selection as in paragraph VII of this amended complaint alleged, a relinquishment from the state of Oregon of all its right, title and interest in and to the said selected land, which said relinquishment was made by the state of Oregon to the lessee and for the benefit of the plaintiff herein, as grantee, which relinquishment is the same relinquishment referred to in paragraph IX hereof.

XIII.

And thereupon your orator further shows unto your Honors:

That the said forest lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, was in all respects regular and in accordance with the requirements of said Act of Congress of June 4, 1897, set forth in paragraph VI of this amended complaint, and in accordance with the requirements of the Secretary of the Interior in his letter of October 17, 1903, hereinbefore set forth in paragraph XI of this amended bill of complaint, and the local officers of the United States land office at Lakeview, Oregon, did, on the 8th day of February, 1904, accept and file the said lieu selection, so made as aforesaid in paragraph VII of this amended bill of complaint, and did, on the 4th day of March, 1904, and at subsequent dates, attempt to reject said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, and stated, as a basis for said attempted rejection, that the said lieu selection was in conflict with certain homestead and timber and stone applications, which were made subsequently to the 8th day of February, 1904, and subsequently to the presentation and filing of the lieu selection, together with the relinquishment of the state of Oregon, as alleged in paragraphs VII and XII of this amended bill of complaint.

XIV.

And thereupon your orator further shows unto your Honors:

That subsequently, and on or about the 8th day of April, 1904, said lieu selector and the plaintiff herein, together with other lieu selectors who had made other selections in the interest and for the benefit of the plaintiff herein, appealed from the ruling of the local officers of the United States land office at Lakeview, Oregon, by which ruling the said local officers attempted to reject the said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, upon which appeal the said ruling was affirmed by the Commissioner of the General Land Office at Washington, D. C., on or about the 30th day of March, 1905, and subsequently, and on or about the 25th day of October, 1905, the Honorable Secretary of the Interior of the United States, acting through the Honorable Frank Pierce, first assistant secretary, reversed the said decision and ruling of the Commissioner of the General Land Office, and directed that said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, together with other selections similarly made, be allowed as of the date on which they were filed, to-wit, the 8th day of February, 1904, and directed the Register and Receiver of the United States Land Office at Lakeview, Oregon, to allow said selections to remain of record as filed.

XV.

And thereupon your orator further shows unto your Honors:

That subsequently and on or about the 6th day of December, 1905, the local officers of the United

States Land Office at Lakeview, Oregon, attempted to reject the said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, together with other selections, and alleged as a ground for said attempted rejection that the land covered by said selections had been withdrawn for the purpose of what was known as the Klamath River project, and said action of the said Register and Receiver of the United States Land Office at Lakeview, Oregon, in attempting to reject said selections, was subsequently reversed by order and direction of the Commissioner of the General Land Office, made on the 23rd day of January, 1906, who ordered and directed that said lieu selection be allowed as of date February 8, 1904.

XVI.

And thereupon your orator further shows unto your Honors:

That on or about the 5th day of March, 1906, and the 11th day of June, 1906, the Register and Receiver of the United States Land Office at Lakeview, Oregon, made objections to the allowance of the said lieu selection, so made as alleged in paragraph VII of this amended complaint, together with other selections, and attempted thereby to reject said lieu selection referred to in paragraph VII of this amended complaint, which attempted objections were sustained on appeal by the Commissioner of the General Land Office and by the Department of the Interior, on the 20th day of June, 1906, and subsequently and on or about the 15th day of May, 1907, the Department

of the Interior of the United States recalled its attempted decision of June 20, 1906, and entered an order directing the allowance of the said lieu selection, so made as alleged in paragraph VII of this amended complaint, together with other selections, as of the date on which said lieu selections were filed, to wit, the 8th day of February, 1904, and ordered and directed that notice of such order be given to all parties who had made entries upon said lands subsequently to the filing of said lieu selection, so made as alleged in paragraph VII of this amended complaint, which said notice was duly given as directed.

XVII.

And thereupon your orator further shows unto your Honors:

That subsequently, and as a result of the notice so given, a petition for a review of the departmental decision last referred to was filed in behalf of Archie Johnson, a claimant of part of the said lands embraced by said indemnity lists 178 and 188, which petition set forth the existence of an alleged conspiracy, averred to have been formed for the purpose of acquiring all of the said lands, in the first instance, and that the said lieu selections, so made as aforesaid, were in accordance with, and constituted a part of, said alleged conspiracy, and that the plaintiff herein was not a purchaser in good faith of said land described in paragraph V of this amended complaint, or any part thereof, which petition for review was allowed, upon the ground that all previous hearings before the Department of the Interior, so had as hereinbefore alleged,

were purely ex parte and were, consequently, not proper proceedings in which to determine the merits of the adverse claims to the lands in question, for the purpose of basing a final decision thereon, and, therefore, an order was made directing that a final hearing should be held before the Register and Receiver of the United States Land Office at Lakeview, Oregon, for the purpose of determining the respective merits of various claims to the lands embraced within the said school indemnity lists 178 and 188.

XVIII.

And thereupon your orator further shows unto your Honors:

That subsequently, and on or about the 25th day of May, 1908, said hearing so ordered, as aforesaid, was duly and regularly had before the Register and Receiver of the United States land office at Lakeview, Oregon, the plaintiff herein appearing in person and by attorneys, and the defendant, Edgar B. Conner, and other adverse cliamants appearing in person or by attorneys, at which time the said Register and Receiver, after duly hearing the respective parties, attempted to hold that the various homestead and timber and stone entries hereinbefore referred to in paragraph XIII of this amended complaint and particularly the entry of the defendant, Edgar B. Conner, which was made on the 31st day of May, 1904, should be allowed, which decision was subsequently, and on or about the 13 day of April, 1909, reversed by the Honorable Commissioner of the General Land Office, who held that the lieu selection referred to in para-

graph VII of this amended complaint, together with other selections made in the interest of the plaintiff herein, had been duly and regularly made, and should be allowed to remain intact, upon the records of the United States Land Office, as of the date on which they were filed, to, wit, February 8, 1904.

XIX.

And thereupon your orator further shows unto your Honors:

That subsequently and on or about the ..... day of ....., 19....., an appeal from the decision of the Honorable Commissioner of the General Land Office, hereinbefore referred to in paragraph XVIII of this amended complaint, was taken by certain alleged homestead and timber and stone claimants, including defendant, Edgar B. Conner, to the Department of the Interior of the United States which department, acting through the Honorable Frank Pierce, its First Assistant Secretary, found that the said lieu selection, so made as alleged in paragraph VII of this amended complaint, together with other selections, were filed simultaneously with the relinquishment and cancellation of said indemnity lists 178 and 188, to-wit, on the 8th day of February, 1904, and before the attempted filing of the said alleged homestead and timber and stone entries, so made as alleged in paragraphs VIII and XIII of this amended complaint, and further found that the record then before said department fully showed, and every material fact supported the conclusion, that the plaintiff herein was a purchaser in good faith, free

from fraud of any kind, and that the said alleged homestead and other entries, and particularly the entry of the defendant, Edgar B. Conner, were made subsequently to the 8th day of February, 1904, and after the filing of the lieu selection, so made as alleged in paragraph VII of this amended complaint, and that said lieu selection, so made as alleged in paragraph VII of this amended complaint, had been allowed by the Secretary of the Interior, as alleged in paragraphs XIV and XVI of this amended complaint, and had been allowed by the Commissioner of the General Land Office, as alleged in paragraph XV of this amended complaint, and, based upon said findings, held that it was within the competency of the officers of the land department of the United States to allow the said alleged homestead and timber and stone entries to be made after the filing of said lieu selection, so made as alleged in paragraph VII of this amended complaint, and the allowance of said selections, so made as alleged in paragraphs XIV and XV and XVI of this amended complaint, and further held that said lieu selections, so made and allowed, would be denied in all instances where the local officers of the United States Land Office at Lakeview, Oregon, had attempted to allow homestead and timber and stone entries to be made, a copy of which decision is hereunto attached and marked "Exhibit A", and, by reference, incorporated in and made a part of this amended complaint.

XX.

And thereupon your orator further shows unto

your Honors:

That subsequently, and on or about the 14th day of July, 1910, and in accordance with the ruling of the decision hereinbefore referred to in paragraph XIX of this amended complaint, a patent to the following described land, situated in the County of Klamath, and state of Oregon, and particularly described as follows, to wit:

> Lot three, section two, township thirty-seven south, range ten east of Willamette Meridian,

was issued in the name of Edgar B. Conner, the defendant herein, contrary to, and in violation of, the rights and equities of the plaintiff herein and that the said patent so issued, as aforesaid, was issued by the officers of the United States government without regard to, and in contravention of, the vested rights of the plaintiff herein, and in accordance with the ruling of the Department of the Interior, as evidenced by the decision referred to in paragraph XIX of this amended complaint.

XXI.

And thereupon your orator further shows unto your Honors:

That prior to the issuance of said patent as alleged in paragraph XX of this complaint, said Edgar B. Conner, without any consideration whatsoever therefor, and with the full knowledge of the rights and equities of your orator therein, and of all the proceedings had before the Land Department of the United States, as aforesaid, and for the sole purpose

of defrauding your orator, attempted to sell, transfer and convey all his right, title and interest acquired under and by virtue of his said entry and prior to the issuance of patent, to one William S. Slough and said William S. Slough received the said pretended conveyance with like knowledge of the rights and equities of your orator therein and of all the proceedings had before the Land Department of the United States, as aforesaid, and for the purpose of defrauding your orator, which said pretended conveyance from said Edgar B. Conner to said William S. Slough was placed of record in book ....., at page ....., of the records of deeds of Klamath County, state of Oregon, and that thereafter and prior to the issuance of said patent as aforesaid, said William S. Slough, without any consideration whatsoever moving to him and with full knowledge of the rights and equities of your orator therein, and of all the proceedings had before the land department of the United States for the sole purpose of defrauding your orator, attempted to sell, transfer and convey all his right, title and interest acquired under and by virtue of said conveyance from Edgar B. Conner to the defendant, D. W. Dineen, which said pretended and attempted conveyance was received by said D. W. Dineen with full knowledge of the rights and equities of your orator therein and of all the proceedings had before the Land Department of the United States, and without the payment of any consideration therefor, and in violation of the vested rights of the plaintiff in said land and with the wrongful and unlawful

purpose of wronging, cheating and defrauding plaintiff of his title to said lands, and that during all the times herein mentioned, prior to the issuance of said patent, the legal title in and to said described land, referred to in paragraph XX of this amended complaint, was vested in the United States of America, which said pretended deed from said William S. Slough to the defendant, D. W. Dineen, was recorded in book....., at page ....., of the said records of deeds of Klamath County, Oregon.

XXII.

And thereupon your orator further shows unto your Honors:

That this is a suit between citizens of different states, and that the amount in controversy herein exceeds the amount of three thousand ($3000) dollars, exclusive of interest and costs.

XXIII.

And thereupon your orator further shows unto your Honors:

That he has no plain, adequate, or speedy remedy at law, but only in equity.

WHEREFORE, and foreasmuch as your orator is remediless in the premises, under and by strict rules of common law, and can only have relief in a court of equity where matters of this nature are recognizable and reviewable, files this, his amended bill of complaint, and prays:

I. That the defendant, Edgar B. Conner, may be adjudged and decreed to hold said land described in paragraph V in trust for your orator, and to convey

the same to your orator, and deliver to your orator any patent or other deeds of the same in his possession, and be restrained and enjoined from hereafter setting up any claim or title to said land, or any part thereof, or in any manner intermeddling therewith, or removing any timber or other product therefrom.

II. That the conveyance from the defendant, Edgar B. Conner, to William S. Slough and from William S. Slough to the defendant D. W. Dineen, be adjudged and decreed to be of no force and effect, and, for the purpose of presenting a clear and unencumbered title in the plaintiff as against said pretended conveyance to the defendant D. W. Dineen, that the defendant D. W. Dineen be ordered, adjudged and decreed to convey said land, described in paragraph V of this amended complaint, to the plaintiff, and that in lieu of the said conveyance within a period of thirty days from the entry of the decree of this court, that the said decree be adjudged to stand as and for a conveyance in lieu of said conveyance from said D. W. Dineen to the plaintiff.

III. That the defendants may be adjudged and decreed to hold any timber or other product by them or their servants or agents removed from said land, or the proceeds or manufactured product from the same, in trust for your orator, and may be decreed to account to your orator for the same, or the value thereof, and to repay to your orator said value, with interest from the date of sale, if the same has been sold by the said defendants, or either of them.

IV. That upon the failure of the defendant, Edgar B. Conner, to deliver to your orator said conveyance prayed for above, and any patent or other deeds of the said land described in paragraph V. within a period of thirty days from the entry of the decree of this court, the said decree be adjudged and decreed to stand as a conveyance in lieu of such conveyance, patent or other deeds.

V. And your orator further prays: That your Honors may grant unto your orator a writ of subpoena of the United States directed to the defendants, Edgar B. Conner and D. W. Dineen, therein and thereby commanding said defendants, under a certain penalty therein to be named, personally to be and appear before your Honorable Court, then and there to answer, all and singular, (but not under oath, answer under oath being expressly waived), the matters and things aforesaid, and to stand and abide by and sustain such direction and decree as shall be made herein, as to your Honors shall seem equitable and just.

VI. And your orator prays for such further relief in the premises as the nature and circumstances of this cause may require and to your Honorable Court may seem reasonable and proper.

And your orator, as in duty bound, will ever pray.

A. D. DANIELS,

By Platt & Platt and Hugh Montgomery, His Solicitors.

Hugh Montgomery,

of Counsel.

[Exhibit "A"]

D. C. M. G. B. G.

DEPARTMENT OF INTERIOR.

Washington, Feb. 17, 1910.

E--900.

Aztec Land & Cattle Company, Lt'd.
E. B. Perrin
Lieu Selectors,
A. D. Daniels,
Claimant of Beneficial Interest,
vs.
Archie Johnson, et al,
Intervenors.
The Commissioner
Of the General Land Office.

Sir:

This is the appeal of Archie Johnson, et al., intervenors, from your office decision of April 13, 1909, sustaining the claim of A. D. Daniels, beneficiary under Lieu Selections, Nos. 15016, 15017 and 18, (Serials 0714, 0715, 0716) for certain described lands in the Lakeview Land District, Oregon. Questions affecting the validity of these selections have been subject of numerous decisions of the Land Department, and a detail statement of such proceedings covering a period of more than eight years, must of necessity be set out

in detail, if the issues now presented may be properly understood.

January 28, 1902, the lands involved were selected by the State of Oregon, per school indemnity lists Nos. 178 and 188 these lists were held for cancellation by your office, because of invalid base, and were finally cancelled in March and August, 1904, upon relinquishments filed on behalf of the state. The date of the filing of these relinquishments is one of the disputed questions in this record: and while not necessarily controlling, it is in view of this case important, and will be considered on its merits in the progress of this paper.

For present statement, it will be enough to say that the local officers and your office have found that it was filed Feb. 10, 1904, whereas it is claimed on behalf of A. D. Daniels, owner of the Beneficial interest in certain Forest Lieu Selections of these same lands, that it was filed Feb. 8, 1904. However this may be, the Forest Lieu Selections in question were filed on said last named date Feb. 8, 1904, but were rejected by the local officers in a letter to one, L. T. Barin, March 4, 1904, for conflict with certain homestead and timber and stone applications for part of the same lands, These Forest Lieu Selections were filed by Barin in the name of Edward B. Perrin, and Aztec Land and Cattle Co. but the said A. D. Daniels was the beneficial owner of the scrip, which was filed in his interests to protect his purchase from the state under its aforesaid Invalid Indemnity Selections.

On appeal, your office affirmed the action of the

Register and Receiver, giving as further reason and justification thereof the fact, that the Lieu Selections were presented at the local land office prior to cancellation of said Indemnity School Selections, and even prior to the filing of the state's relinquishment. Upon appeal, however, from this action of your office, the Department, Oct. 25, 1905, reversed your office decision, stating while the appeal was pending an affidavit had been filed by A. D. Daniels in which he stated that he was the real party in interest and the equitable owner of the lands assigned as bases for the Lieu Selections; that after its selections of the lands as School Indemnity, the State of Oregon had sold them to sundry purchasers, who paid part of the purchase price and assigned the certificates of sale to him, and he was then the owner thereof; that he thereafter became doubtful as to the validity of the State selection, and in order to protect his interests obtained relinquishments from the State and caused them to be filed in the Local Land Office at Lakeview with Lieu Selections; that in so doing he relied upon your office report of Oct. 13, 1904, (1903) to the Secretary of the Interior; which report was transmitted by the Department to the Governor of Oregon Oct. 17, 1904 (1903).

Considering the appeal, the Department held that the case, was controlled by its decision in the California and Oregon Land Company, (33 L. D. 595), that this case was in all essential respects the same as that one, and remanded the case with directions to adjudicate it thereunder. The Lieu Selections having

been returned to the Register and Receiver for allowance in accordance with said decisions, they were again, on Dec. 6, 1905, rejected by the local officers, for the reason that the lands had been withdrawn by telegram of June 25, 1904, for the Klamath River project. This action of the Register and Receiver was reversed by your officer Jan. 23, 1906, and the selections were remanded to be entered of record as of date Feb. 8, 1904, the day on which they were originally presented, if no other objection appeared. Under dates of March 5, and June 11, 1906, the Register submitted full reports to your office upon the said applications; and stated there were objections to the allowance of the same, in that there were various homesteads and timber and stone applications which had been allowed subsequently to the cancellation of the state's list. The Register also referred to the fact that Daniels had caused a contest to be instituted against the State's selection, and questioned his good faith in the matter.

Separate appeals were taken by the Aztec Land and Cattle Company and Perrin from this action of the local officers, and the papers in connection with the application of the Aztec Company were transmitted to the Department by your office, letter of May 9, 1906, for further consideration in connection with the report of the local office.

Upon sonsideration of the matter thus presented, the Department held in its decision of June 26, 1906, that the facts failed to show that Daniels, was entitled to protection as a Bona Fide purchaser from the

state; that the State's selections were filed Jan. 28, 1902, while the lands were sold on Jan. 21st, preceding, at which they were public lands of the United States, and no one purchasing them could claim to be a Bona Fide purchaser from the State; that as late as Oct. 5, 1903, Daniels was not asserting that he was a purchaser in good faith from the State, but was acting adversely to it and attempting to contest the lists under which he later asked for recognition as a Bona Fide purchaser and for equitable relief; that this position then was inconsistent with the position later assumed: and if had since acquired assignments of the State's certificates of sale, he had done so with full knowledge of the invalidity of the State's claim; that the facts set forth above were fatal to his contention that he was a Bona Fide purchaser, and as such should be permitted to file the State's relinquishment and obtain precedence over others seeking to appropriate the lands under the General land laws; that to conceed to him this privilege under letters Oct. 17 & 13, 1903, mentioned above, would in effect, be to make such persons as from time to time might constitute the State Land Board, agents to dispose of the public lands of the United States, within the State, to such persons as they might favor by means of sales of public land as state land, the subsequent filing of the State's list invalid for want of sufficient base; the filing of the State's relinquishment, and the protection of the purchaser from the state by grace of the Land Department. The Department accordingly held in that decision that the lieu selection should be rejected.

A motion for review of said decision of June 26th, 1906, having been filed by Daniels, Department, on May 15 and 18, 1907, rendered decisions holding that while Daniels, was not, strictly speaking a Bona Fide purchaser from the State, because the Certificates of sale issued by the State antedated the filing of the School Indemnity Selections, and therefore were made at a time when there was no actual claim of the State pending, still Daniels had not purchased the land until the month of April, 1902, nearly three months after the lands had been actually selected by the State, and that having paid a valuable consideration for the lands in an honest belief that a title was being obtained, that was sufficient to constitute a Bona Fide Purchase.

The decision of June 26th, 1906, was therefore recalled, and it was ordered that the Lieu Selection should be reinstated.

In promulgating the decision last mentioned, your office returned the Lieu Selections to the Local Land Office for allowance, and instructed the Register and Receiver to notify all parties who had made entry of said lands subsequently to the cancellation of the State's list to show cause within sixty days why their entries should not be cancelled, because of conflict with said Lieu Selections as a result of which a petition termed, a motion for re-review of Departmental decisions of May 15, and 18, 1907, was filed on behalf of Archie. Johnson who claimed a part of the Lands under a sale made thereof under the Public Land Laws.

This petition or motion charged, in effect, that a conspiracy had been formed for the purpose of acquiring the lands originally by means of the State's selection involved: that the entire proceeding by which title was sought to be acquired was fraudulent, and that the parties thereto should not be allowed to perfect title to the lands, to the injury of those who in good faith had entered the same under the public land laws.

Considering this petition, the Department stated in its decision of August 10th, 1907, that its previous decisions had been ex parte, and that the last decision favorable to Daniels did not prevent your office ordering a hearing, or taking other action with respect to the disposition of the claims of others which might be materially affected by the re-instatement of the claim of Daniels; and the case was accordingly remanded to your office for further consideration, to the end that a full and thorough investigation might be made into the matter, and your office was expressly advised that the previous decisions of the Land Department should in no wise embarass your action in the premises.

A hearing was accordingly ordered; and after due notice to all parties concerned, that the same was had before the local land office, May 25, 1908, Daniels appearing in person and by attorney, and the other parties claiming an interest either in person or by an attorney. The Local Land Office found that the case was not similar in all respects to that of the California and Oregon Land Company cited above; that in

that case there were no intervening rights or equities of other parties, while in the case under consideration the lands had been entered by bona fide settlers or purchasers, to many of whom final certificates had issued and in some instances even Patents had been issued.

The Register and Receiver accordingly recommended that the Homestead and Timber and Stone Entries of the various parties in the case should be allowed to remain in tact. Daniels appealed to your office, whereby your said decision of April 13, 1909, the action of the Local Office was reversed, and it was held that the Lieu Selections should remain in tact.

An appeal on behalf of the Homestead and Timber and Stone claimants brings the case before the Department. Most of the applicants to purchase the lands from the State upon whose supposed initiative these selections were made were not persons in being, but were fictitious persons, usually designated as "Dummies."

But while this is so, there is no evidence in this record showing or tending to show, that Daniels, or any person in privity with him, in fact, was a party to or had any knowledge of the intended fraud; and every material fact in this record supports the conclusion that Daniels bought in good faith, the Certificates of sale issued by the State. He had never heard of these State's Selections until one McHale, a timber land speculator of whom he had no personal acquaintance, but who was known to him by reputation, had reported to him that there was a large body of timber

land for sale, at Klamath, Oregon; and upon McHale's representations, he constituted McHale his agent under powers which amounted to, co-partnership, and McHale went to Klamath Falls to fully investigate these lands and the title thereto. McHale had instructions from Daniels, among other things, to secure the services of an attorney upon the question of title.

He did so. The attorney after an examination of the certificates of sale, reported that the title was good, and McHale's inquiries into the character of the land being satisfactory the results of his investigations was reported to Daniels and the deal was closed, upon the payment by Daniels of $23,901.10 for the certificates, of sale, and the further payment to the State of the unpaid ballance of the purchase price thereon, amounting to $3,033.74. Daniels had no personal acquaintance with any of the parties to the transactions; and so far as it appears from this record, he had no knowledge, information or belief which should have caused him to question the bona fides, of the people with whom he was dealing, or cause him to suspect that there was irregularity in the transaction. Nor was there anything in his connection with subsequent events, in his efforts to acquire title to these lands which may reasonably be said to go to the good faith of his purchase. It appears that rumors were soon thereafter rife with reference to land frauds in Oregon in connection with its school land grant.

The rumors reached Daniels and he promptly investigated them, finding for the first time that his title was questionable, upon the advice of his attorney, he initiated a contest against the State's selections upon which his title rested, hoping thereby to protect his purchase by acquiring an equitable preference right.

As a result of this contest, the state refunded the money which he had paid it and put in the hands of his attorney a relinquishment to the United States of all rights under its selections. Daniels then caused said relinquishments to be filed in the District Land Office, together with the Lieu Selections. There was certainly nothing reprehensible in this proceeding. Moreover, it was taken upon certain suggestions made in your said report of October 13, 1903. This report was responsive to a letter from the Governor of Oregon, September 28, 1903, wherein the inquiry was made of this department as to the means of protecting bona fide purchasers of the school indemnity lands from the State in instances where the State's selections had been cancelled for invalid base. Your offices reported among other things, and this is the same report transmitted to the Governor of Oregon, Oct. 13, 1903, that as to such selections—

while the selection is of record and uncancelled, the land is segregated thereby, and no right can be acquired by the presentation of an applicaiton therefor (29 L. D. 29), but the purchaser holding the State's relinquishment may present it with his application and thereby secure right of entry.

This is also the plain holding of this Department in the
in California and Oregon Land Company, supra, and is precisely the course pursued by Daniels in this case. His contest against the State's selection was to that end. He secured the State's relinquishments and presented them with the aforesaid applications to scrip the land.

It is true the record shows that the relinquishments were not marked, filed, in the local office until Feb. 10, 1904, which was two days after the presentation of the scrip applications.

It is further shown that it was the custom in that office to note the filing of the relinquishments of entries and filings upon public lands on the same day they were received in the office; and a clerk in said office gives it as his opinion that if these relinquishments had been receved on February 8, instead of February 10, the filing would have been noted on the day they were received.

But it is evident from the facts and circumstances surrounding the incident that the scrip applications and the State's relinquishments were, in fact, filed simultaneously.

The filing was by mail, and the letter of transmittal was written by Daniel's attorney, the said L. T. Barrin.

The letter recites that it contains the relinquishments in question, and it was received at the local land office February 8. Moreover, the action of the local officers at the time in rejecting the proffered

scrip applications, is put upon the ground that part of the lands were covered by pending homestead and timber and stone applications, whereas if the State had not then relinquished its school indemnity selections, the local officers would surely have assigned this as the reason for rejection of said applications, because this reason would have applied to all of the lands involved, instead of only a small portion of them, as was the case with the reason assigned.

It is worthy of too, that there has not been found any correspondence or record which would indicate that if the said Barin, had left these relinquishments out of his letter by inadvertence, they were ever afterwards transmitted to the local land office, and no correspondence or record of correspondence showing that if he had been guilty of such inadvertence he was ever advised thereof by the local officers.

I conclude therefore, on this branch of the case that the relinquishments in question and the scrip applications were filed at the same time, as was suggested they might be, in your office report of September 28th, 1903, above quoted.

Under existing regulations, it was the duty of the Register and Receiver to forward these applications, and these relinquishments without action for the consideration and disposition of your office. This however, it has been seen, was not done.

The scrip applications were rejected, and the history of the case, hereinbefore set out, shows that these applications were kept alive by successive appeals,

and that the case was twice remanded to the local officers, with directions to allow the applications, but various reasons were assigned for the neglect or failure of the local officers to obey these instructions.

It is believed that these applications might have been allowed, not as a matter of right, but in the discretion of the Secretary of the Interior; and if the instructions of the Secretary had been carried out, it would have been done before the case became complicated by the counter-equitable considerations arising upon the unfortunate allowance of the Homestead and Timber and Stone entries for most of these lands. It is thought however, that in instances where the land department has permitted these entries and filings to go of record, where they have become closed transactions, the Department would not be justified in cancelling such entries and filing, for the purpose of protecting the equities of Daniels in these lands. It matters not if Daniels' application was in all respects regular and might have been allowed when presented; yet it was within the competency of the Land Department to dispose of the said lands to other persons; and having done so, Daniels will not now be heard to question the correctness of that disposition.

See Hoyt vs. Weyerhauser et al). (161 F. E. D., Rep., 324).

It appears however, from your office reports of Dec. 16, 1909, that there are approximately 107 quarter Sections of land involved in this case. Of these, twenty-eight are involved in homestead entries, four

in cash entries and homestead entries, twenty-four in cash entries, twenty-five in Timber and Stone sworn statements, twelve are free and unappropriated, eight of them do not appear to be covered by the Lieu Selections in question, and seven of them have been patented.

In view of what has been said, the claim of Daniels must be denied as to all of them except those covered by Timber and Stone sworn statements only, and those that are unappropriated, amounting to what seems to be, from your office reports, approximately thirty-seven quarter sections in all.

As to these lands, the Timber and Stone applicants have not put themselves in privity with the United States, and the Land Department has not entered in to such Contract with them as to preclude other disposition of the lands.

See Campbell vs. Weyerhauser et al (161 Fed. Rep., 332).

This being true, and believing that the equities of Daniels should be protected to the fullest extent consistent with equitable administration, I have to direct that the Scrip applications be allowed as to all tracts which have not been otherwise disposed of, and rejected as to such as now appear to be covered by Homestead and cash entries.

The decision appeal from is modified. The papers are herewith returned.

Very respectfully,

FRANK PIERCE,

First Assistant Secretary.

Enclosures.

]Endorsed[: Amended Bill in Equity. Filed May 17, 1912.

A. M. CANNON,
Clerk U. S. District Court.

]Demurrer to Amended Bill of Complaint.[

In the District Court of the United States for the District of Oregon.

A. D. DANIELS,

Plaintiff,

vs.

EDGAR B. CONNER and D. W. DINEEN,

Defendants.

TO THE HONORABLE JUDGES OF THE DISTRICT COURT OF THE UNITED STATES IN AND FOR THE DISTRICT OF OREGON:

Comes now the defendant, D. W. Dineen, and demurs to the amended bill of complaint of A. D. Daniels, plaintiff herein on the following ground:,

I.

That the plaintiff has not by his said amended bill made such a case as entitled him in a court of Equity to any discovery from the defendant or any relief against him as to the matters contained in the said amended bill, or any of such matters.

II.

That this Court has no jurisdiction of this cause for the reason that as disclosed by the amended bill of complaint the plaintiff never acquired any vested interest in the lands described in the said amended bill of complaint, and not having any equitable interest therein, is not entitled to maintain this suit.

III.

That this Court is without jurisdiction in this cause because the land set forth in the amended bill of complaint was entered by the defendant D. W. Dineen's grantor at a time when it was surveyed, unappropriated and vacant public land and his right to enter the same was passed upon by the General Land Office of the United States and his entry was decided to be legal and proper and patent to the said land was thereupon issued to him. That the said determination by the General Land Office of the United States was a determination of a question of fact and cannot be reviewed by this Court.

Wherefore and for divers other good causes of demurrer appearing in the said amended bill, defendant demurs thereto and demands the judgment and decree of this Honorable Court whether he shall be compelled to make any other or further answer to the said amended bill and prays to be hence dismissed with his costs and charges in this behalf most wrongfully sustained.

ANGELL & FISHER,
Solicitor for Defendant D. W. Dineen.

UNITED STATES OF AMERICA,
District of Oregon—ss.

I, Homer D. Angell, being first duly sworn, depose and say that I am one of solicitors and of counsel for defendant D. W. Dineen herein and I certify that, in my opinion, the aforesaid demurrer is well founded in point of law.

HOMER D. ANGELL,

Subscribed and sworn to before me this 31 day of May, A. D., 1912.

FORREST S. FISHER,
Notary Public for Oregon.

STATE OF CALIFORNIA,
County of Sonoma—ss.

I, D. W. Dineen, being first duly sworn, depose and say that I am one of the defendants herein and that the aforesaid demurrer is not interposed for delay.

D. W. DINEEN,

Subscribed and sworn to before me this 27 day of May, A. D., 1912.

EMMA HERMANN,
.....
Notary Public.

Residing at Cloverdale, California.

[Endorsed[: Demurrer. Filed June 6, 1912.
A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on Saturday, the 3 day of August, 1912, the same being the 29 Judicial day of the Regular July, 1912, Term of said Court; Present: the Honorable R. S. BEAN, United States District Judge presiding, the following proceedings were had in said cause, to-wit:

[Decree.]

In the District Court of the United States for the District of Oregon.

A. D. DANIELS,
Plaintiff,

vs.

EDGAR B. CONNER and D. W. DINEEN,
Defendants.

This cause having come on regularly to be heard by the Court upon the demurrer of the defendants to the amended bill of complaint of the above named plaintiff, and the defendants having appeared by their attorneys Angell & Fisher, and the plaintiff having appeared by his attorneys, Messrs. Platt & Platt and Hugh Montgomery, and the Court having heard the arguments of counsel for the respective parties hereto, and having taken said cause under advisement, and fully considered the same, and being now fully advised in the premises, and it appearing to the Court that said demurrer is well taken and should be in all respects sustained, and that said amended bill of complaint is without equity, and should be dismissed.

IT IS THEREFORE ORDERED, CONSIDERED, ADJUDGED and DECREED by the Court that the said demurrer to said amended bill of complaint be, and the same is hereby, in all respects sustained, and that said amended bill of complaint be, and the same is hereby dismissed, and that said defendants have and recover of and from said plaintiff their costs and disbursements herein, taxed at $.....

Dated this 3 day of August, 1912.

R. S. BEAN,
Judge.

And afterwards, to wit, on the 29 day of August, 1912. there was duly filed in said Court, a Petition for Appeal, in words and figures as follows, to wit:

[Petition for Appeal.]

....In the District Court of the United States for the District of Oregon.

A. D. DANIELS,

Plaintiff,

vs.

EDGAR B. CONNER and D. W. DINEEN,

Defendants.

The above named plaintiff conceiving himself aggrieved by the order and decree made and entered in the above entitled cause on the 23rd day of August, 1912, does hereby appeal from said order and decree to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, for the reasons specified in the Assignment of Errors, which is filed herewith, and he prays that this appeal may be allowed, and that a transcript of the record, papers, and proceedings and all things concerning the same, duly authenticated, may be sent to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, upon his filing a bond for the payment of all damages and costs if he fails to prosecute the said appeal to effect which bond shall act as a supersedeas bond.

A. D. DANIELS,

By Platt & Platt and Hugh Montgomery, Solicitors for Plaintiff.

Hugh Montgomery,

of Counsel.

[Endorsed]: Petition for Appeal. Filed Aug. 29, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 29 day of August, 1912, there was duly filed in said Court, Assignments of Error, in words and figures as follows to wit:

[Assignments of Error.]

In the District Court of the United States for the District of Oregon.

A. D. DANIELS,

Plaintiff,

vs.

EDGAR B. CONNER and D. W. DINEEN,

Defendants.

Now on this 29th day of August, 1912, comes the above named plaintiff, A. D. Daniels, appearing by Messrs. Platt & Platt and Hugh Montgomery, his solicitors of record, and says that in the record and proceedings of the above entitled Court in the above entitled cause and in the final order and decree entered thereon on the 3rd day of August, 1912, there is manifest error and that said order and decree is erroneous and against the just rights of said plaintiff, and for error the said plaintiff assigns the following:

I.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the

demurrer the plaintiff, on the 8th day of April, 1904, made a valid forest lieu selection of the lands described in paragraph V of plaintiff's amended bill filed in said cause under and in accordance with the provisions of the act of Congress of June 4th, 1897, set forth in paragraph VI of plaintiff's amended bill of complaint.

II.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the forest lieu selection of the plaintiff made upon the lands described in paragraph V of his amended bill of complaint was prior in time and initiated a right and interest superior to the claim of any person or persons whomsoever and particularly the defendants.

III.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the attempted timber and stone entry of the defendant, Edgar B. Conner, was subsequent in time and inferior in right to the forest lieu selection of the plaintiff.

IV.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the forest lieu selections of the plaintiff had been approved by the proper officers of the United

States government which approval gave the plaintiff a vested interest in the land so selected.

V.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the alleged timber and stone entry of the defendant, Edgar B. Conner, was made in contravention of the vested rights of the plaintiff herein.

VI.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the plaintiff was equitably entitled to be protected in the forest lieu selections which he had made on the lands described in paragraph V of his amended bill of complaint, as against the claims of the defendants or any person or persons whomsoever.

VII.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the plaintiff was equitably entitled to have the defendants declared a trustee for the plaintiff of the lands described in paragraph V of his amended bill of complaint.

VIII.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that the bill of complaint stated a good cause of action to which the defendants should

be required to file their answers or pleas.

IX.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint and decreeing that said amended bill of complaint be dismissed and allowing costs to the defendants.

X.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the defendant Edgar B. Conner, prior to the issuance of patent as alleged in paragraph XX of plaintiff's amended complaint, and without any consideration whatsoever therefor, and with full knowledge of the rights and equities of the plaintiff herein, attempted to sell, transfer, and convey all his right, title, and interest acquired under and by virtue of his said entry prior to the issuance of patent, to one William S. Slough, and said William S, Slough received the said pretended conveyance with like knowledge of the rights and equities of plaintiff herein, and said William S. Slough, without any consideration whatsoever moving to him, attempted to sell, transfer, and convey all his right, title, and interest to the defendant D. W. Dineen, which said pretended attempted conveyance was received by said D. W. Dineen with full knowledge of the rights and equities of the plaintiff herein.

WHEREFORE, the plaintiff and appellant prays that the decree of said court be reversed and such directions be given that full force and efficacy may en-

ure to the plaintiff by reason of the cause of suit set up in his amended bill of complaint filed in said cause and that a decree be entered in accordance with the prayer of plaintiff's amended bill of complaint.

PLATT & PLATT and HUGH MONTGOMERY,
Solicitors for Plaintiff.

Hugh Montgomery,
of Counsel.

[Endorsed]: Assignments of Error. Filed Aug. 29, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 29 day of August, 1912, there was duly filed in said Court, an Order Allowing Appeal, in words and figures as follows, to wit:

[Order Allowing Appeal.]

In the District Court of the United States for the District of Oregon.

A. D. DANIELS,
Plaintiff,

vs.

EDGAR B. CONNER and D. W. DINEEN,
Defendants.

This day came A. D. Daniels, plaintiff, appearing by Messrs. Platt & Platt and Hugh Montgomery, his solicitors of record, and presented his petition for an appeal and an assignment of errors accompanying the same which petition, upon consideration of the court, is hereby allowed, and the court allows an appeal to

the United States Circuit Court of Appeals for the Ninth Judicial Circuit, upon the filing of a bond in the sum of $500 with good and sufficient surety to be approved by the Court; and

It is further ordered that said bond shall act as a supersedeas bond; and

It is further ordered that a certified transcript of the record, and all proceedings herein, be forthwith transmitted to the said United States Circuit Court of Appeals.

R. S. BEAN,
Judge.

Dated this 29th day of August, 1912.

[Endorsed]: Order Allowing Appeal. Filed Aug. 29, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 29 day of August, 1912, there was duly filed in said Court, a Bond on Appeal, in words and figures as follows, to wit:

[Bond on Appeal.]

In the District Court of the United States for the District of Oregon.

A. D. DANIELS,
Plaintiff,

vs.

EDGAR B. CONNER and D. W. DINEEN,
Defendants.

KNOW ALL MEN BY THESE PRESENTS:

That we, A. D. Daniels, as principal, and Fidelity

& Deposit Company of Maryland, a corporation, surety, are held and firmly bound unto Edgar B. Conner and D. W. Dineen in the full and just sum of Five Hundred ($500) dollars, to be paid to the said Edgar B. Conner and D. W. Dineen, their executors, to which payment well and truly to be made we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, by these presents;

Sealed with our seals this 29th day of August, A. D., 1912.

WHEREAS, lately at the District Court of the United States for the District of Oregon, in a suit pending in said court between A. D. Daniels, plaintiff, and Edgar B. Conner and D. W. Dineen, defendants, a decree was rendered against said plaintiff, A. D. Daniels, and said A. D. Daniels having petitioned an appeal and filed a copy thereof in the clerks' office in said court to reverse the same in the aforesaid suit, and a citation directed to the said Edgar B. Conner and D. W. Dineen citing and admonishing them to be and appear at a session of the United States Circuit Court of Appeals for the Ninth Judicial Circuit to be holden in the city of San Francisco in said Circuit, on the 28th day of Sept., A. D., 1912, having been served on said defendants;

NOW the condition of this obligation is such, that if the said A. D. Daniels shall prosecute his appeal to effect, and answer all damages and costs if he shall fail to make his plea good, then the above obligation

to be void, else to remain in full force and virtue.

A. D. DANIELS,

By Platt & Platt, His Solicitors of Record.

FIDELITY & DEPOSIT COMPANY OF MARYLAND,

By W. J. Clemens.

Agent.

[Seal.] By Harrison G. Platt,

Attorney in Fact

Examined and approved this 29th day of Aug. 1912.

R. S. BEAN,

District Judge.

[Endorsed]: Bond on Appeal. Filed Aug. 29, 1912.

A. M. CANNON,

Clerk U. S. District Court.

And afterwards, to wit, on the 30 day of August, 1912, there was duly filed in said Court, a Citation on Appeal, in words and figures as follows, to wit:

[Citation on Appeal.]

In the United States Circuit Court of Appeals for the Ninth Circuit.

A. D. DANIELS,

Appellant,

-vs.

EDGAR B. CONNER and D. W. DINEEN,

Appellees.

UNITED STATES OF AMERICA,
Ninth Judicial Circuit—ss.

TO EDGAR B. CONNER and D. W. DINEEN, GREETING:

WHEREAS, A. D. Daniels, appellant in the above entitled suit, has lately appealed to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, from a decree lately rendered in the District Court of the United States for the District of Oregon, made in favor of you, the said Edgar B. Conner and D. W. Dineen, and has filed the security required by law; you are therefore hereby cited to appear before the said United States Circuit Court of Appeals at the City of San Francisco, State of California, on the 28th day of September, next, to do and receive what may pertain to justice to be done in the premises.

Given under my hand at the City of Portland in the Ninth Judicial Circuit this 29th day of August, in the year of our Lord, one thousand nine hundred twelve.

R. S. BEAN,
Judge of the District Court of the United States for the District of Oregon.

UNITED STATES OF AMERICA,
District of Oregon—ss.

Due service of the within Citation to Appellees, by certified copy thereof, as required by law, is hereby acknowledged at Portland, Oregon, this 30 day of August, 1912.

ANGELL & FISHER,
of Attorneys for Appellees.

[Endorsed]: Citation to Appellees. Filed Aug. 30, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on Saturday, the 28 day of September, 1912, the same being the 77 Judicial day of the Regular July, 1912, Term of said Court; Present: the Honorable R. S. BEAN, United States District Judge presiding, the following proceedings were had in said cause, to-wit:

[Order Enlarging Time to File Record.]

In the District Court of the United States for the District of Oregon.

A. D. DANIELS,

Plaintiff,

vs.

EDGAR B. CONNER, et al,

No. 3709.

September 28, 1912.

Now, at this day, for good cause shown, it is ORDERED that the plaintiff's time for filing and docketing the record on appeal in this cause in the United States Circuit Court of Appeals, Ninth Circuit, be and the same is hereby enlarged and extended ninety (90) days from this date.

R. S. BEAN,
Judge.

No. 2214

IN THE

UNITED STATES CIRCUIT COURT OF APPEALS

FOR THE NINTH CIRCUIT.

A. D. DANIELS,

Appellant,

vs.

EDGAR B. CONNER and D. W. DINEEN,

Appellees.

Proceedings had in the United States Circuit Court of Appeals for the Ninth Circuit.

At a stated term, to wit, the October term, A. D. 1912, of the United States Circuit Court of Appeals for the Ninth Circuit, held in the courtroom thereof, in the City and County of San Francisco, in the State of California, on Thursday, the sixth day of February, in the year of our Lord one thousand nine hundred and thirteen. Present: The Honorable WILLIAM B. GILBERT, Circuit Judge; Honorable WILLIAM W. MORROW, Circuit Judge; Honorable CHARLES E. WOLVERTON, District Judge.

No. 2214.

A. D. DANIELS,

Appellant,

vs.

EDGAR B. CONNER and D. W. DINEEN,

Appellees.

Order of Submission in U. S. Circuit Court of Appeals.

ORDERED, appeal in the above-entitled cause argued by Mr. Hugh Montgomery, counsel for the appellant, and by Mr. Homer D. Angell, counsel for the appellees, and submitted to the Court for consideration and decision.

In the United States Circuit Court of Appeals for the Ninth Circuit.

A. D. DANIELS,

Appellant,

vs.

JESSIE E. WAGNER,

Appellee.

Opinion U. S. Circuit Court of Appeals.

PLATT & PLATT and HUGH MONTGOMERY, for the Appellant.

ANGELL & FISHER, F. H. MILLS, ARTHUR I. MOULTON and P. A. LAFFERTY, for the Appellees.

Before GILBERT and MORROW, Circuit Judges, and WOLVERTON, District Judge.

The decision in this case involves the merits of sixteen suits pending in this court on appeal, in all of which A. D. Daniels, the appellant, was the complainant in the court below. The object of each suit was to obtain a decree declaring the defendants therein holders of the legal title to the land described in each case as trustees for said complainant. Demurrers to the bills for want of equity were sustained, and from the decrees thereupon rendered dismissing the bills, the appeals are taken.

The allegations in the bills are substantially the same. In the case which is above-entitled the allegations are in substance the following: That on and prior to April 12, 1902, Edward B. Perrin and the Aztec Land & Cattle Company, Ltd., a corporation, each owned certain lands in fee simple in the Territory of Arizona; that on that date those lands were included within the limits of the San Francisco Mountains Forest Reserves, and that thereafter, on February 2, 1904, under the provisions of the Act of Congress of June 4, 1897, the said land owners relinquished and conveyed to the United States their interest in said lands, and on February 8, 1904,

they made lieu selections of certain public lands in Klamath County, Oregon, for the benefit of the complainant; that the selections were perfected by presenting the recorded deed, together with a full, true and correct abstract of title showing that the selectors were the owners in fee simple of the lands relinquished; that on or about June 28, 1902, the State of Oregon had filed upon the lands so selected certain instruments purporting to be school indemnity lists, and before the approval of the lists, had sold the lands to the complainant, but that thereafter, owing to the invalid character of the base lands tendered in said lists, the lists were held for cancellation, and in March and August, 1904, were finally cancelled and relinquishments of said lists were filed on behalf of the State of Oregon; that prior to such cancellation, the State of Oregon acting through the officers of the State Land Board, sold to various *bona fide* purchasers for value the timber lands upon which the said school indemnity lists had been filed, and that the appellant in good faith purchased the said lands from the State of Oregon; that thereafter, discovering that the State had no right, title or interest in said lands so conveyed, the forest lieu selections already referred to were made for the purpose of protecting complainant's interest in said lands; that at the time of making their selections, the selectors filed with their selections relinquishments from the State of Oregon of any rights which it might have acquired by virtue of the school indemnity lists so filed by it; that after making such lieu selections and filing such relinquishments, the officers of the Land Office

at Lakeview, Oregon, having allowed other entries to be made upon the lands so selected by homestead, timber and stone applications for the lands, rejected the selections so made by the complainant's predecessors in interest; that upon appeal to the Commissioner of the General Land Office, the action of the Register and Receiver at Lakeview was affirmed; that the Commissioner advanced as a further reason for the rejection that at the time when the lieu selections were presented at the local land office, the State indemnity school selections had not been cancelled or relinquished; that the State of Oregon executed relinquishments and the same were filed in the Land Office, bearing the file-mark of February 10, 1904; that the relinquishments were forwarded to the Commissioner of the General Land Office, and on March 7, 1904, he advised the Register and Receiver at Lakeview that the relinquishments had been received, and directed them to make due notation that the lists were cancelled, "leaving the lands open to entry by the first legal applicants"; that thereafter the appellee made application for the land at the local land office, and his filing was accepted; that thereafter various proceedings were had in the Land Department, concerning the land so entered, and on August 10, 1907, the Secretary of the Interior instructed the Commissioner to order a hearing, that a full investigation might be had of the whole matter, that upon the hearing the local land office found that the lands had been entered by *bona fide* settlers or purchasers, to many of whom certificates, and in some instances, patents had issued; that the Register and Receiver

accordingly recommended that such entries be allowed to remain, and the Secretary of the Interior finally so decided on February 17, 1910, holding that the greater equities were with the Homestead and Stone and Timber entrymen, and that in the discretion of the Secretary, such entries might be protected against the right of the scrip applications, and said: "It matters not if Daniels' application was in all respects regular and might have been allowed when presented; yet it was within the competency of the Land Department to dispose of the said lands to other persons, and having done so, Daniels will not now be heard to question the correctness of that disposition."

GILBERT, Circuit Judge, after stating the case:

The appellant contends that by virtue of his offer to select the lands in question, and the tender in exchange therefor of a deed and abstract of title to the lands offered for surrender, he thereby became the equitable owner of the lands so sought to be selected, notwithstanding that his selection was rejected by the officers of the local land office, and that their rejection was affirmed by the Secretary of the Interior, and that the patent having issued to the appellees, when in equity and good conscience, and according to law, it should have gone to the appellant, the Court should convert the holder of the legal title into a trustee for the appellant, and compel conveyance of the legal title to him.

In considering, in the light of the adjudications, the question here presented, it is essential to bear in mind the distinction between the right acquired by

a Railroad Company, under a congressional grant of lands to aid the construction of a railroad, to select within the indemnity limits lands in lieu of those which are lost in the place limits, and the right of a lieu land selector under the Act of June 4, 1897. The former is a substantial right in the lands lying in the indemnity limits, given in consideration of the construction of a railroad, and is confined to specific lands within certain boundaries which are defined in the grant. It is a vested right, of which the grantee could not be deprived, by an Act of Congress or by other authority. In Weyerhaeuser vs. Hoyt, 219 U. S. 387, the Court declared that it was the intention of Congress in making such a grant, "to confer a substantial right to land within the indemnity limits in lieu of land lost within the place limits." The right of selection of lieu land given under the Act of June 4, 1897, however, is in the first instance but an offer by the Government to exchange lands. It is based upon no valuable consideration actually received. It attaches to no specific lands, nor to lands within any defined limits. It does not attach upon the mere presentation of the requisite papers. It attaches only when the authorized officers of the Government accept the offer to exchange. Nor is it true that the filing of the lieu selection papers and the acceptance of the same by the local Land Office segregates the land upon which the filing is made so as to cut off intervening and subsequent rights as against the lieu selectors. In Roughton vs. Knight, 219 U. S. 537–547, in construing the Act of June 4, 1897, the Court said: "Manifestly there must be an accept-

ance of the relinquishment by someone authorized to decide upon its sufficiency, and an assent to the particular selection made in lieu." In Cosmos Exploration Co. vs. Gray Eagle Oil Co., 190 U. S. 310, lieu land had been selected under the Act of June 4, 1897. The selector complied with the provisions of the Act. His selection was received and accepted, and entered on the records of the local land office. At that time there was no adverse claim. Before the issuance of a patent, the selector's grantee brought a suit against the defendants, who had entered the land as a mineral claim, he claiming that his grantor had become vested with the complete equitable title to the land so selected, and had become entitled to receive a patent. The Court held that it had no jurisdiction prior to the issuance of the patent to determine who was entitled to receive it, and that under the Act of June 4, 1897, the officers of the local land office had no authority to decide whether the selector had complied with the provisions of the Act, that authority being vested in the Commissioner of the General Land Office. The Court said: "But even the complete equitable title asserted by a complainant must, as it would seem, be based upon the alleged right of the local land officers to accept the deed and approve the selection, even though such approval may be thereafter the subject of a review in the nature of an appeal from the action of the local officers. There must be a decision made somewhere regarding the rights asserted by the selector of land under the Act before a complete equitable title to the land can exist. The mere filing of papers cannot create such

title. The application must comply with and conform to the statute, and the selector cannot decide the question for himself. We do not see how it can be successfully maintained that without any decision by any official representing the Government, and by merely filing the deed relinquishing to the Government a tract of forest reserve land, and assuming to select a similar area of vacant land open to settlement, the selector has thereby acquired a complete equitable title to the selected land." It is urged that this language of the Court is *dictum*, but we do not so regard it. It contains the reasoning of the Court in determining the nature of the rights of the complainant in that case. But if, indeed, it is true that the expression of such views was unnecessary to the determination of the case which was before the Court, the language used sets forth the mature and unanimous judgment of the members of that court on the question of law which is involved in the case at bar, and we deem it controlling in the decision of the present case.

Nor do we find ground to sustain the appellant's contention that the views of the Court so expressed in the Cosmos Exploration Company case have been modified by the decision in Weyerhaeuser vs. Hoyt, 219 U. S. 380. That was a case which involved the right of a railroad company to select lands within the indemnity limits of its grant. The Court held that selections of lieu lands filed with the Secretary of the Interior excluded the right of others to appropriate the lands embraced therein pending action by the Secretary, and that the railroad company's rights

to such lieu lands so selected were superior to those of a purchaser under the Timber and Stone Act who filed pending final decision by the Secretary, and that the final decision by the Secretary related back to the date of the original selections. Prior to that time, the Court had said, in New Orleans Pacific Ry. Co. vs. Parker, 143 U. S. 57: "As to lands within the indemnity limits, it has always been held that no title is acquired until the specific parcels have been selected by the grantee and approved by the Secretary of the Interior." The same was held in Humbird vs. Avery, 195 U. S. 507. In Wisconsin Central Ry. Co. vs. Price County, 133 U. S. 496, 512, the Court said: "Until the selections were approved there were no selections in fact, only preliminary proceedings taken for that purpose; and the indemnity lands remained unaffected in their title"; and in Sjoli vs. Dreschel, 199 U. S. 565, the Court held it to be established doctrine "that no rights to lands within indemnity limits will attach in favor of the railroad company until after selections made by it with the approval of the Secretary of the Interior; that up to the time such approval is given, lands within indemnity limits, although embraced by the company's list of selections, are subject to be disposed of by the United States, or to be settled upon and occupied under the pre-emption and homestead laws of the United States; and, That the Secretary of the Interior has no authority to withdraw from sale or settlement lands that are within indemnity limits which have not been previously selected, with his approval, to supply deficiencies within the place limits

of the company's road." In the Weyerhaeuser case, the Court distinguished the Sjoli case by saying that it belonged to a class of cases in which there was no question of right by relation involved, and that the general language which we have quoted from the opinion was to be considered in view of the questions which were presented in that case, and that to apply it in the Weyerhaeuser case would be in effect to destroy the indemnity provisions of the Granting Act. No reference was made to the decision in the Cosmos Exploration Company case, and this was evidently for the reason that the language of the Court in that case was deemed to be applicable solely to the right of selection granted by the Act of June 4, 1897, and that the Court recognized and intended to reaffirm the vital distinction which it had found between such rights and the rights of a selector of indemnity lands under a grant to a railway company in aid of the construction of its road. Stalker vs. Oregon Short Line, 225 U. S. 142, is in line with Weyerhaeuser vs. Hoyt and so is Svor vs. Morris, 227 U. S. 524. We consider the decision in the Cosmos Exploration Company case authority for sustaining the decree of the court below. But there is additional ground for sustaining it in the fact that, at the time when the appellant's selection was initiated on February 8, 1904, the lands involved herein appeared upon the records of the local land office as selected by the State of Oregon by certain school indemnity lists, and that those lists were not relinquished by the state until February 10, 1904. This sufficiently appears from the decision of the Secretary of the Interior, which is made an ex-

hibit to the bill and is controlling in so far as it varies from the allegations of the bill. Greenameyer vs. Coate, 212 U. S. 434, 443.

The decree in each of the sixteen suits, Nos. 2212–2227, is affirmed.

[Endorsed]: Filed May 5, 1913. F. D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

United States Circuit Court of Appeals for the Ninth Circuit.

No. 2214.

A. D. DANIELS,

Appellant,

vs.

EDGAR B. CONNER and D. W. DINEEN,

Appellees.

Decree, U. S. Circuit Court of Appeals.

Appeal from the District Court of the United States for the District of Oregon.

This cause came on to be heard on the Transcript of the Record from the District Court of the United States for the District of Oregon and was duly submitted:

On consideration whereof, it is now here ordered, adjudged, and decreed by this Court, that the decree of the said District Court in this cause be, and hereby is, affirmed with costs in favor of the appellees and against the appellant.

It is further ordered, adjudged and decreed by this Court, that the appellees recover against the appel-

lant for their costs herein expended, and have execution therefor.

[Endorsed]: Filed and entered, May 5, 1913. F. D. Monckton, Clerk.

[Title of Court and Cause.]

Petition for Allowance of Appeal to Supreme Court of the United States.

PETITION FOR APPEAL FROM THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE NINTH CIRCUIT TO THE SUPREME COURT OF THE UNITED STATES.

The above-mentioned appellant, A. D. Daniels, respectfully shows that the above-entitled cause is now pending in the United States Circuit Court of Appeals for the Ninth Circuit and that a decree has therein been rendered, on the fifth day of May, A. D. 1913, affirming the decree of the District Court of the United States for the District of Oregon, and that the matter in controversy in said suit exceeds one thousand dollars, besides costs; that this cause is one involving the construction and application of a statute of the United States, to wit, Act of June 4, 1897, 30 Statutes at Large, 36 (U. S. Comp. Stats. 1901, p. 1541), and in which the decree of the United States Circuit Court of Appeals for the Ninth Circuit is not final, and is a proper cause to be appealed to the Supreme Court of the United States.

The above-named appellant, conceiving himself aggrieved by the decree made and entered in the

above-entitled court and cause on the fifth day of May, 1913, does hereby appeal from said decree to the United States Supreme Court, for the reasons specified in the assignment of errors, which is filed herewith.

WHEREFORE, the said appellant prays that an appeal be allowed him in the above-entitled cause, directing the clerk of the United States Circuit Court of Appeals for the Ninth Circuit to send the record and proceedings in said cause, with all things concerning the same, to the Supreme Court of the United States, in order that the errors complained of in the assignment of errors, herewith filed by the said appellant, may be reviewed, and, if error be found, corrected according to the laws and customs of the United States.

By PLATT & PLATT,
Solicitors for Appellant.

[Endorsed]: Filed Jun. 2, 1913. Frank D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

[Title of Court and Cause.]

Assignment of Errors on Appeal to Supreme Court of the United States.

COMES NOW the appellant, A. D. Daniels, by Platt & Platt, his solicitors, and says that in the record and proceedings herein there is manifest error, and assigns error thereto as follows:

The United States Circuit Court of Appeals for the Ninth Circuit erred in affirming the decree of the

United States District Court for the District of Oregon sustaining the demurrer of appellees to appellant's amended bill of complaint and dismissing appellant's amended bill of complaint:

First. Because the demurrer to appellant's amended bill of complaint admits that on the 8th day of February, 1904, the appellant made a valid forest lieu selection of the land, described in paragraph V of appellant's amended bill filed in said cause, under and in accordance with the provision of the Act of Congress of June 4, 1897, set forth in paragraph VI of appellant's amended bill of complaint.

Second. Because the demurrer to appellant's amended bill of complaint admits that the forest lieu selection of appellant, made upon the lands described in paragraph V of his amended bill of complaint, was prior in time and initiated a right and interest superior to the claim of any person or persons whomsoever, and particularly to that of the appellees.

Third. Because the demurrer to appellant's amended bill of complaint admits that the attempted timber and stone entry of the appellee, Edgar B. Conner, was subsequent in time and inferior in right to the forest lieu selection of the appellant.

Fourth. Because the demurrer to appellant's amended bill of complaint admits that the forest lieu selections of appellant had been approved by the proper officers of the United States Government, which approval gave appellant a vested interest in the land so selected.

Fifth. Because the demurrer to appellant's amended bill of complaint admits that the alleged

timber and stone entry of appellee, Edgar B. Conner, was made in contravention of the vested rights of the appellant herein to the land described in paragraph V of appellant's amended bill of complaint.

Sixth. Because the demurrer to appellant's amended bill of complaint admits that the appellant was equitably entitled to be protected in the forest lieu selection which he had made on the lands described in paragraph V of his amended bill of complaint as against the claims of the appellees, or any person or persons whatsoever.

Seventh. Because the demurrer to appellant's amended bill of complaint admits that the appellant was equitably entitled to have appellees declared trustees, for the appellant, of the lands described in paragraph V of appellant's amended bill of complaint.

Eighth. Because the demurrer to appellant's amended bill of complaint admits that the Oregon school indemnity lists, covering the lands described in paragraph V of appellant's amended bill of complaint, were relinquished simultaneously with the filing of the forest lieu selections by appellant.

Ninth. Because the demurrer to appellant's amended bill of complaint admits that the relinquishments of the Oregon school indemnity lists were filed on February 8, 1904.

Tenth. Because the demurrer admits that the appellee, Edgar B. Conner, prior to the issuance of patent, as alleged in paragraph XX of appellant's amended complaint, and without any consideration whatsoever therefor, and with full knowledge of the

rights and equities of appellant herein, attempted to sell, transfer and convey all his right, title and interest, acquired under and by virtue of his said entry, to one William S. Slough, and said William S. Slough received the said pretended conveyance with like knowledge of the rights and equities of appellant herein; and said William S. Slough, without any consideration whatsoever moving to him, attempted to sell and transfer all his right, title and interest to the appellee, D. W. Dineen, which said attempted conveyance was received by said D. W. Dineen with full knowledge of the rights and equities of the appellant herein.

Eleventh. Because the appellant's amended bill of complaint stated a good cause of suit to which the appellees should have been required to file their answers or pleas.

Twelfth. Because the decree of said District Court should have been reversed and the demurrer to appellant's amended bill of complaint overruled.

WHEREFORE, the appellant prays that the decree of the United States Circuit Court of Appeals for the Ninth Circuit be reversed, and such directions be given that force and efficacy may inure to the appellant by reason of the cause of suit set up in his amended bill of complaint filed in said cause, and that a decree be entered in accordance with the prayer of appellant's amended bill of complaint.

PLATT & PLATT,
Solicitors for Appellant.

[Endorsed]: Filed Jun. 2, 1913. Frank D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

[Title of Court and Cause.]

Order Allowing Appeal to Supreme Court U. S. and Fixing Amount of Bond.

IT IS HEREBY ORDERED, that the appeal in the above-entitled case to the Supreme Court of the United States be, and the same is hereby, allowed as prayed.

AND IT IS FURTHER ORDERED that the amount of the appeal and supersedeas bond be, and the same hereby is, fixed at $500.00.

Dated this 3d day of June, 1913.

WM. B. GILBERT,
United States Circuit Judge, Ninth Circuit.

[Endorsed]: Filed Jun. 5, 1913. F. D. Monckton, Clerk.

[Title of Court and Cause.]

Bond on Appeal to Supreme Court U. S.

KNOW ALL MEN BY THESE PRESENTS, that we, A. D. Daniels, as principal, and Fidelity & Deposit Company of Maryland, a corporation, as surety, are held and firmly bound unto Edgar B. Conner, and D. W. Dineen, in the full and just sum of Five Hundred Dollars ($500.00), lawful money of the United States of America, to be paid to the said Edgar B. Conner and D. W. Dineen, to which payment, well and truly to be made, we bind ourselves,

our heirs, executors, administrators, successors and assigns, jointly and severally, by these presents.

Sealed with our seals this 3d day of June, 1913.

WHEREAS, the appellant in the above-entitled suit is prosecuting an appeal to the United States Supreme Court to reverse the decree rendered and entered in said cause in the United States Circuit Court of Appeals for the Ninth Circuit on the 5th day of May, 1913;

NOW, THEREFORE, the condition of this obligation is such, that if the said appellant shall prosecute said appeal to effect, and answer all damages and costs if he fails to make said appeal good, then this obligation shall be void; otherwise to remain in full force and effect.

A. D. DANIELS. [Seal]
By PLATT & PLATT,
His Solicitors of Record.

FIDELITY & DEPOSIT CO. OF MARYLAND, [Seal]
By ROBERT T. PLATT,
Attorney in Fact.
CHESTER W. HANSEN,
Agent.

Examined and approved this 3d day of June, 1913.

WM. B. GILBERT,
Circuit Judge for the Ninth Circuit.

[Endorsed]: Filed Jun. 5, 1913. F. D. Monckton, Clerk.

[Title of Court and Cause.]

Praecipe for Record on Appeal to Supreme Court of the United States.

To the Clerk of the said Court:

Sir: Please issue a certified Transcript of the Record on appeal to the Supreme Court of the United States in the above-entitled cause, consisting of the following:

1. Copy of Printed Transcript of Record on which case was heard in the Circuit Court of Appeals, to which will be added a Copy of the following-entitled papers that were filed, and of the Proceedings that were had in said Circuit Court of Appeals, viz.:

2. Order of Submission;

3. Opinion;

4. Decree;

5. Petition for Appeal to Supreme Court U. S.; and Order thereon;

6. Bond on Appeal to Supreme Court U. S.;

7. Assignment of Errors;

8. Praecipe for Certified Transcript of Record on Appeal to Supreme Court U. S.;

9. Certificate of Clerk U. S. C. C. A. to Transcript of Record on Appeal to Supreme Court U. S., and

10. Original Citation on Appeal to Supreme Court U. S.

PLATT & PLATT,
Solicitors for Appellant.

United States of America,
Ninth Judicial Circuit,—ss.

Due service of the within Praecipe for Transcript on Appeal to Supreme Court U. S. is hereby acknowledged, and certified copy thereof received, at Portland, Oregon, this 7th day of June, 1913.

ANGELL & FISHER,
Of Solicitors for Appellees.

[Endorsed]: Filed Jun. 10, 1913. F. D. Monckton, Clerk.

In the United States Circuit Court of Appeals for the Ninth Circuit.

No. 2214.

A. D. DANIELS,

Appellant,

vs.

EDGAR B. CONNER and D. W. DINEEN,

Appellees.

Certificate of Clerk U. S. Circuit Court of Appeals to Transcript of Record on Appeal to the Supreme Court of the United States.

I, Frank D. Monckton, as Clerk of the United States Circuit Court of Appeals for the Ninth Circuit, do hereby certify the foregoing seventy-two (72) pages, numbered from and including one (1) to and including seventy-two (72), to be a full, true and correct copy of the complete record in the above-entitled cause, prepared pursuant to praecipe therefor filed by counsel for the appellant, including all proceedings had therein, and including the Opinion and the Assignment of Errors filed therein, as the same remain on file and appear of record in my office, and that the same, together, constitute the Transcript of Record in said cause on Appeal to the Supreme Court of the United States.

Attest my hand and the seal of the said the United States Circuit Court of Appeals for the Ninth Circuit, at the City of San Francisco, in the State of California, this twentieth day of June, A. D. 1913.

[Seal] F. D. MONCKTON,
Clerk.

In the United States Circuit Court of Appeals for the Ninth Circuit.

No. 2214.

A. D. DANIELS,

Appellant,

vs.

EDGAR B. CONNER and D. W. DINEEN,

Appellees.

Citation on Appeal to Supreme Court U. S.

United States of America,
Ninth Circuit,—ss.

To Edgar B. Conner and D. W. Dineen, Greetings:

You, and each of you, are hereby cited and admonished to be and appear in the Supreme Court of the United States, at the city of Washington, in the District of Columbia, sixty (60) days after the date of this citation, pursuant to an appeal filed in the clerk's office of the United States Circuit Court of Appeals for the Ninth Circuit, wherein A. D. Daniels is appellant, and you are appellees, to show cause, if any there be, why the decree rendered against said appellant, as in said appeal mentioned, should not be corrected, and why speedy justice should not be done the parties in that behalf.

WITNESS the Honorable W. B. GILBERT, Judge of the United States Circuit Court of Appeals for the Ninth Circuit, this 6th day of June, A. D. 1913.

WM. B. GILBERT,
Circuit Judge.

United States of America,
Ninth Judicial Circuit,—ss.

Due service of the within Citation to appellees is hereby acknowledged, and certified copy thereof received, at Portland, Oregon, this 7th day of June, 1913.

ANGELL & FISHER,
Of Solicitors for Appellees.

[Endorsed]: No. 2214. In the United States Circuit Court of Appeals for the Ninth Circuit. A. D. Daniels, Appellant, vs. Edgar B. Conner and D. W. Dineen Appellees. Citation. Filed Jun. 10, 1913. F. D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

[Endorsed on Cover.]

File No. 23,817.

U. S. Circuit Court Appeals, 9th Circuit.

Term No. 666.

A. D. DANIELS, Appellant,
vs.
EDGAR B. CONNER and D. W. DINEEN.

Filed August 2d, 1918.

File No. 23,817.

[redacted]

[redacted]

No. [redacted] 240

A. D. DANIELS, APPELLANT,

vs.

D. W. DINEEN AND JOSEPH W. SATTERTHWAITE.

APPEAL FROM THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE NINTH CIRCUIT.

FILED AUGUST 2, 1923.

(23,821)

(23,821)

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1913.

No. 670.

A. D. DANIELS, APPELLANT,

vs.

D. W. DINEEN AND JOSEPH W. SATTERTHWAITE.

APPEAL FROM THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE NINTH CIRCUIT.

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JUDD & DETWEILER (INC.), PRINTERS, WASHINGTON, D. C., AUGUST 25, 1913.

No. 2218

IN THE

United States Circuit Court of Appeals

NINTH CIRCUIT

A. D. DANIELS,

Appellant,

vs.

D. W. Dineen and JOSEPH W. SATTERTHWAITE,

Appellees.

Upon Appeal from the United States District Court for the District of Oregon

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TRANSCRIPT OF RECORD.

FILED
JAN 8 - 1913
F. D. MONCKTON,
CLERK

IN THE

United States Circuit Court of Appeals

NINTH CIRCUIT

A. D. DANIELS,

Appellant,

vs.

D. W. Dineen and JOSEPH W. SATTERTHWAITE,

Appellees.

Names and Addresses of Attorneys Upon This Appeal:

For the Appellant:

PLATT & PLATT and HUGH MONTGOMERY,
Board of Trade Bldg., Portland, Oregon

For the Appellees:

ANGELL & FISHER,
Fenton Bldg., Portland, Oregon

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In the District Court of the United States, for the District of Oregon.

Be it Remembered, That on the 17 day of May, 1912, there was duly filed in the District Court of the United States for the District of Oregon, an Amended Bill of Complaint, in words and figures as follows, to wit:

[Amended Complaint.]

In the District Court of the United States, for the Disirict of Oregon.

A. D. DANIELS,

Plaintiff,

vs.

D. W. DINEEN and JOSEPH W. SATTERTHWAITE,

Defendants.

TO THE HONORABLE JUDGES OF THE DISTRICT COURT OF THE UNITED STATES IN AND FOR THE DISTRICT OF OREGON:

A. D. Daniels, a citizen and inhabitant of the state of Wisconsin, residing at Rhinelander in said state, with leave of court first had and obtained, brings this, his amended bill of complaint, against D. W. Dineen, a resident and inhabitant of the State of California, residing at Cloverdale, in said state, and Joseph W. Satterthwaite, a resident and inhabitant of the State of Washington, residing at Olympia, in said state.

And thereupon your orator complains and says:

I.

That at all times herein mentioned plaintiff was and

is a resident and inhabitant of the state of Wisconsin, residing at Rhinelander, in said state.

II.

And thereupon your orator further shows unto your Honors:

That at all times herein mentioned defendant, D. W. Dineen, was and is a resident and inhabitant of the state of California, residing at Cloverdale in said state, and Joseph W. Satterthwaite was and is a resident and inhabitant of the State of Washington, residing at Olympia in said state.

III.

And thereupon your orator further shows unto your Honors:

That on the 12th day of April, 1902, and immediately prior thereto, one Edwin B. Perrin was the owner in fee simple, free of any lien or incumbrances, of that certain property located in the Territory of Arizona, and particularly described as follows, to wit:

The south half of section five, township twenty-two north, range one east; the south half of section three, township twenty-two north, range two east; the south half of section thirty-five, township twenty-two north, range three east; lots one and two, section one, township twenty-three north, range three east; lot two of section one; lot three of section five, and the north half of the northeast quarter, section twenty-one, township twenty-three north, range four east G. & S. R. M.,

and was the owner in fee simple of said property described in paragraph III of this amended complaint,

up until the 2nd day of February, 1904.

IV.

And thereupon your orator further shows unto your Honors:

That on or about the 12th day of April, 1902, the said described lands, mentioned in paragraph III of this amended bill of complaint, were included within the limits of the San Francisco Mountains Forest Reserves, pursuant to a proclamation of the President of the United States made on or about the 12th day of April, 1902, which said lands were then, and still are, non-mineral lands.

V.

And thereupon your orator further shows unto your Honors:

That on or about the 8th day of February, 1904, that certain property situated within the District of Oregon, located in the County of Klamath in the State of Oregon, and particularly described as follows, to wit:

> Lot two (2), section two (2), township thirty-seven (37) south, range ten (10) east, Willamette Meridian,

was surveyed, unappropriated, and vacant public land of the United States, returned and characterized upon the official records of the United States as non-mineral land, free and open to entry and settlement under and in accordance with the laws of the United States governing the acquisition of public lands.

VI.

And thereupon your orator further shows unto

your Honors:

That on or about the 4th day of June, 1897, the Congress of the United States passed an act entitled: "An Act making appropriation for sundry civil expenses of the government, for the fiscal year ending June 30, 1898, and for other purposes:" which act provides, among other things, as follows, to wit:

> "That in cases in which a tract covered by an unperfected bona fide claim, or by patent, is included within the limits of a forest reservation, the settler or owner thereof may, if he desires to do so, relinquish the tract to the government, and may select in lieu thereof a tract of vacant land open to settlement not exceeding in area the tract covered by his claim or patent, and no charge shall be made in such cases for making the entry of record, or issuing the patent to cover the tract selected: Provided further, That in cases of unperfected claims the requirements of the laws respecting settlement, residence, improvements, etc., are complied with on the new claims, credit being allowed for the time spent on the relinquished claim."

VII.

And thereupon your orator further shows unto your Honors:

That on or about the 2nd day of February, 1904, the said Edward B. Perrin did, in accordance with the provisions and requirements of the act of Congress

of June 4, 1897, set forth in paragraph VI of this amended complaint, relinquish and convey unto the United States of America those certain tracts of land hereinbefore described in paragraph III of this amended complaint, and recorded the deed of conveyance in the office of the recorder of the county in which the said lands are situated, and subsequently, and on the 8th day of February, 1904, filed with the Register and Receiver of the United States land office at Lakeview, Oregon, the said deed so recorded, together with a full, true and correct abstract of title of the lands so relinquished, duly certified as such by the county recorder of the county in which the lands are situated, which abstract of title showed him to be the owner in fee simple of said lands, free and clear of any lien or incumbrances, immediately prior to the time the deed to the United States was recorded, and thereupon and at the same time selected in lieu of said lands so relinquished,

> Lot two (2), section two (2), township thirty-seven (37) south, range ten (10) east, Willamette Meridian,

together with other lands, which selection so made was prior in time to the selection or entry of any other person or persons whomsoever, and, by virtue of said selection, there was initiated a right and interest prior in time and superior in right as against all persons whomsoever.

VIII.

And thereupon your orator shows unto your Honors:

That regardless of said selection so made as alleged in paragraph VII of this amended complaint, the defendant, Joseph W. Satterthwaite, did, on May 31, 1904, attempt to make a timber and stone entry upon the land described in paragraph VII of this amended complaint.

IX.

And thereupon your orator further shows unto your Honors:

That on or about the 28th day of June, 1902, the State of Oregon filed upon the said tract so selected, together with certain other lands, certain instruments purporting to be school indemnity lists, which lists were numbered Lists 178 and 188, respectively, which said lists were duly and regularly accepted and filed by the Register and Receiver of the United States land office at Lakeview, Oregon, and thereupon were regularly transmitted to the Commissioner of the General Land Office of the United States government at Washington, D. C., to await the acceptance and approval of the land department of the United States government, but that, owing to the invalid character of the base lands tendered in said lists, the said lists were held for cancellation, and were subsequently cancelled upon relinquishments of said lists filed on behalf of the State of Oregon, on the 8th day of February, 1904.

X.

And thereupon your orator further shows unto your Honors:

That prior to the said cancellation of said school

indemnity lists 178 and 188, and before any action whatsoever had been taken by the proper officers of the land department of the United States, except said Register and said Receiver, relative to the acceptance and rejection of the said indemnity lists, the state of Oregon, acting through the officers of the Oregon state land board, sold to various bona fide purchasers, for value, the timber lands upon which the said school indemnity lists 178 and 188 had been filed, and the said state had not at the time of such sale, nor has it at any time since, ever acquired or owned any right, title, or interest in or to the said lands upon which the said lists were filed, including those lands more particularly described in paragraph V of this amended bill of complaint, which said lands described in said paragraph V were, for a valuable consideration, and in good faith, and without any knowledge whatsoever of the irregularity of the proceedings which had taken place in connection with the sale thereof, or of the invalid character of the base lands which were tendered to the Federal government as the basis for the said selection by the State of Oregon, purchased from the said State of Oregon by the plaintiff herein.

XI.

And thereupon your orator further shows unto your Honors:

That subsequently and upon the discovery of the fact that all the proceedings in connection with the attempt to acquire said lands by filing of said lists 178 and 188, so filed as aforesaid, and more particularly those lands hereinbefore described in paragraph V of

this amended bill of complaint, were irregular, and that by virtue of the filing of said lists the State of Oregon had acquired no interest and did not then have any right, title, or interest in or to the said lands so selected, owing to the invalid character of the base land which had been tendered in exchange therefor, and the further fact that the said selected land had, nevertheless, been sold by the State of Oregon to many innocent purchasers for value, the State of Oregon, acting through the Honorable George E. Chamberlain, its governor, entered into negotiations with the Department of the Interior of the United States, for the purpose of arriving at some arrangement wherein and whereby the interest of these bona fide purchasers from the state might be protected, and as a result of such negotiations, and on or about the 17th day of October, 1903, a letter was promulgated and transmitted to the governor of the State of Oregon by the Honorable Secretary of the Interior of the United States of which letter the following is in part substantially a copy, to wit:

> "It (the state) may within sixty days allowed for appeal amend its selection by the substitution of a valid base, or, if unable to furnish such a base, it may, upon receipt of notice that the selection is held for cancellation, make a formal relinquishment of the selection, and give same to its grantee. While the selection is of record uncancelled the land is segregated thereby, and no right can be acquired by the presentation of

an application therefor (29 L. D. 29), but the purchaser holding the state's relinquishment may present it with his application, and thereby secure the right of entry."

XII.

And thereupon your orator further shows unto your Honors:

That thereafter and in accordance with the terms of the arrangement thus agreed upon, as evidenced by the said letter of the Secretary of the Interior, the said lieu selection so made as alleged in paragraph VII of this amended bill of complaint was made by the said Edward B. Perrin, by P. S. Brumby, his attorney in fact, in the interest and for the benefit of the plaintiff herein, and for the purpose of protecting the interests of the plaintiff in and to said selected land acquired by virtue of the purchase so made by the plaintiff from the State of Oregon, as alleged in paragraph X of this amended complaint, and at the time of making said lieu selection so made as alleged in said paragraph VII, and on the 8th day of February, 1904, the said lieu selector, the said Edward B. Perrin, by P. S. Brumby, his attorney in fact, presented, simultaneously with and together with the selection as in paragraph VII of this amended complaint alleged, a relinquishment from the State of Oregon of all its right, title and interest in and to the said selected land, which said relinquishment was made by the State of Oregon in the interest and for the benefit of the plaintiff herein, as grantee, which relinquish-

ment is the same relinquishment referred to in paragraph IX hereof.

XIII.

And thereupon your orator further shows unto your Honors:

That the said forest lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, was in all respects regular and in accordance with the requirements of said Act of Congress of June 4, 1897, set forth in paragraph VI of this amended complaint, and in accordance with the requirements of the Secretary of the Interior in his letter of October 17, 1903, hereinbefore set forth in paragraph XI of this amended bill of complaint, and the local officers of the United States land office at Lakeview, Oregon, did, on the 8th day of February, 1904, accept and file the said lieu selection, so made as aforesaid in paragraph VII of this amended bill of complaint, and did, on the 4th day of March, 1904, and at subsequent dates attempt to reject said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, and stated, as a basis for said attempted rejection, that the said lieu selection was in conflict with certain homestead and timber and stone applications, which were made subsequently to the 8th day of February, 1904, and subsequently to the presentation and filing of the lieu selection, together with the relinquishment of the State of Oregon, as alleged in paragraphs VII and XII of this amended bill of complaint.

XIV.

And thereupon your orator further shows unto your Honors:

That subsequently, and on or about the 8th day of April, 1904, said lieu selector and the plaintiff herein, together with other lieu selectors who had made other selections in the interest and for the benefit of the plaintiff herein, appealed from the ruling of the local officers of the United States land office at Lakeview, Oregon, by which ruling the said local officers attempted to reject the said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, upon which appeal the said ruling was affirmed by the Commissioner of the General Land Office at Washington, D. C., on or about the 30th day of March, 1905, and subsequently, and on or about the 25th day of October, 1905, the Honorable Secretary of the Interior of the United States, acting through the Honorable Frank Pierce, first assistant secretary, reversed the said decision and ruling of the Commissioner of the General Land Office, and directed that said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, together with other selections similarly made, be allowed as of the date on which they were filed, to wit, the 8th day of February, 1904, and directed the Register and Receiver of the United States Land Office at Lakeview, Oregon, to allow said selections to remain of record as filed.

XV.

And thereupon your orator further shows unto

your Honors:

That subsequently and on or about the 6th day of December, 1905, the local officers of the United States Land Office at Lakeview, Oregon, attempted to reject the said lieu selection, so made as alleged in paragraph VII of this amended bill of complaint, together with other selections, and alleged as a ground for said attempted rejection that the land covered by said selections had been withdrawn for the purpose of what was known as the Klamath River project, and said action of the said Register and Receiver of the United States Land Office at Lakeview, Oregon, in attempting to reject said selections, was subsequently reversed by order and direction of the Commissioner of the General Land Office, made on the 23rd day of January, 1906, who ordered and directed that said lieu selection be allowed as of date February 8th, 1904.

XVI.

And thereupon your orator further shows unto your Honors:

That on or about the 5th day of March, 1906, and the 11th day of June, 1906, the Register and Receiver of the United States Land Office at Lakeview, Oregon, made objections to the allowance of the said lieu selection, so made as alleged in paragraph VII of this amended complaint, together with other selections, and attempted thereby to reject said lieu selection referred to in paragraph VII of this amended complaint, which attempted objections were sustained on appeal by the Commissioner of the General Land Of-

fice and by the Department of the Interior, on the 20th day of June, 1906, and subsequently and on or about the 15th day of May, 1907, the Department of the Interior of the United States recalled its attempted decision of June 20, 1906, and entered an order directing the allowance of the said lieu selection, so made as alleged in paragraph VII of this amended complaint, together with other selections, as of the date on which said lieu selections were filed, to wit, the 8th day of February, 1904, and ordered and directed that notice of such order be given to all parties who had made entries upon said lands subsequently to the filing of said lieu selection, so made as alleged in paragraph VII of this amended complaint, which said notice was duly given as directed.

XVII.

And thereupon your orator further shows unto your Honors:

That subsequently, and as a result of the notice so given, a petition for a review of the departmental decision last referred to was filed on behalf of Archie Johnson, a claimant of part of the said lands embraced by said indemnity lists 178 and 188, which petition set forth the existence of an alleged conspiracy, averred to have been formed for the purpose of acquiring all of the said lands, in the first instance, and that the said lieu selections, so made as aforesaid, were in accordance with, and constituted a part of, said alleged conspiracy, and that the plaintiff herein was not a purchaser in good faith of said land described in paragraph V of this amended complaint, or any part there-

of, which petition for review was allowed, upon the ground that all previous hearings before the Department of the Interior, so had as hereinbefore alleged, were purely ex parte and were, consequently, not proper proceedings in which to determine the merits of the adverse claims to the lands in question, for the purpose of basing a final decision thereon, and, therefore, an order was made directing that a final hearing should be held before the Register and Receiver of the United States Land Office at Lakeview, Oregon, for the purpose of determining the respective merits of various claims to the lands embraced within the said school indemnity lists 178 and 188.

XVIII.

And thereupon your orator further shows unto your Honors:

That subsequently, and on or about the 25th day of May, 1908, said hearing so ordered, as aforesaid, was duly and regularly had before the Register and Receiver of the United States Land Office at Lakeview, Oregon, the plaintiff herein appearing in person and by attorneys, and the defendant, Joseph W. Satterthwaite, and other adverse claimants appearing in person or by attorneys, at which time the said Register and Receiver, after duly hearing the respective parties, attempted to hold that the various homestead and timber and stone entries hereinbefore referred to in paragraph XIII of this amended complaint, and particularly the entry of the defendant, Joseph W. Satterthwaite, which was made on the 31st day of May, 1904, should be allowed, which decision was

subsequently, and on or about the 13 day of April, 1909, reversed by the Honorable Commissioner of the General Land Office, who held that the lieu selection referred to in paragraph VII of this amended complaint, together with other selections made in the interest of the plaintiff herein, had been duly and regularly made, and should be allowed to remain intact, upon the records of the United States Land Office, as of the date on which they were filed, to wit, February 8, 1904.

XIX.

And thereupon your orator further shows unto your Honors:

That subsequently and on or about the ..... day of..... 19....., an appeal from the decision of the Honorable Commissioner of the General Land Office, hereinbefore referred to in paragraph XVIII of this amended complaint, was taken by certain alleged homestead and timber and stone claimants, including defendant, Joseph W. Satterthwaite, to the Department of the Interior of the United States, which department, acting through the Honorable Frank Pierce, its First Assistant Secretary, found that the said lieu selection, so made as alleged in paragraph VII of this amended complaint, together with other selections, were filed simultaneously with the relinquishment and cancellation of said indemnity lists 178 and 188, to wit, on the 8th day of February, 1904, and before the attempted filing of the said alleged homestead and timber and stone entries, so made as alleged in paragraphs VIII and XIII

of this amended complaint, and further found that the record then before said department fully showed, and every material fact supported the conclusion, that the plaintiff herein was a purchaser in good faith, free from fraud of any kind, and that the said alleged homestead and other entries, and particularly the entry of the defendant, Joseph W. Satterthwaite, were made subsequently to the 8th day of February, 1904, and after the filing of the lieu selection, so made as alleged in paragraph VII of this amended complaint, and that said lieu selection, so made as alleged in paragraph VII of this amended complaint, had been allowed by the Secretary of the Interior, as alleged in paragraphs XIV and XVI of this amended complaint, and had been allowed by the Commissioner of the General Land Office, as alleged in paragraph XV of this amended complaint, and, based upon said findings, held that it was within the competency of the officers of the land department of the United States to allow the said alleged homestead and timber and stone entries to be made after the filing of said lieu selection, so made as alleged in paragraph VII of this amended complaint, and the allowance of said selections, so made as alleged in paragraphs XIV and XV and XVI of this amended complaint, and further held that said lieu selections, so made and allowed, would be denied in all instances where the local officers of the United States Land Office at Lakeview, Oregon, had attempted to allow homestead and timber and stone entries to be made, a copy of which decision is hereunto attached and marked "Exhibit A," and, by

reference, incorporated in and made a part of this amended complaint.

XX.

And thereupon your orator further shows unto your Honors:

That subsequently, and on or about the 14th day of July, 1910, and in accordance with the ruling of the decision hereinbefore referred to in paragraph XIX of this amended complaint, a patent to the following described land, situated in the county of Klamath and State of Oregon, and particularly described as follows, to wit:

> Lot two (2), section two (2), township thirty-seven (37) south, range ten (10) east, Willamette Meridian,

was issued in the name of Joseph W. Satterthwaite, one of the defendants herein, contrary to, and in violation of, the rights and equities of the plaintiff herein, and that the said patent so issued, as aforesaid, was issued by the officers of the United States Government without regard to, and in contravention of, the vested rights of the plaintiff herein, and in accordance with the ruling of the Department of the Interior, as evidenced by the decision referred to in paragraph XIX of this amended complaint.

XXI.

And thereupon your orator further shows unto your Honors:

That prior to the issuance of said patent as alleged in paragraph XX of this complaint, said Joseph W. Satterthwaite, without any consideration whatsoever

therefor, and with the full knowledge of the rights and equities of your orator therein, and of all the proceedings had before the Land Department of the United States, as aforesaid, and for the sole purpose of defrauding your orator, attempted to sell, transfer and convey all his right, title and interest acquired under and by virtue of his said entry and prior to the issuance of patent, to one John B. Mason and said John B. Mason received the said pretended conveyance with like knowledge of the rights and equities of your orator therein and of all the proceedings had before the Land Department of the United States, as aforesaid, and for the purpose of defrauding your orator, which said pretended conveyance from said Joseph W. Satterthwaite to said John B. Mason was placed of record in book ....., at page ....., of the records of deeds of Klamath County, State of Oregon, and that thereafter and prior to the issuance of said patent as aforesaid, said John B. Mason, without any consideration whatsoever moving to him and with full knowledge of the rights and equities of your orator therein, and of all the proceedings had before the Land Department of the United States and for the sole purpose of defrauding your orator, attempted to sell, transfer and convey all his right, title and interest acquired under and by virtue of said conveyance from Joseph W. Satterthwaite to the defendant, D. W. Dineen, which said pretended and attempted conveyance was received by said D. W. Dineen with full knowledge of the rights and equities of your orator therein and of all the proceedings had before the

Land Department of the United States, and without the payment of any consideration therefor, and in violation of the vested rights of the plaintiff in said land and with the wrongful and unlawful purpose of wronging, cheating and defrauding plaintiff of his title to said lands, and that during all the times herein mentioned, prior to the issuance of said patent, the legal title in and to said described land, referred to in paragraph XX of this amended complaint, was vested in the United States of America, which said pretended deed from said John B. Mason to the defendant D. W. Dineen was recorded in book ....., at page ....., of the said records of deeds of Klamath County, Oregon.

XXII.

And thereupon your orator further shows unto your Honors:

That this is a suit between citizens of different states, and that the amount in controversy herein exceeds the amount of three thousand ($3000) dollars, exclusive of interest and costs.

XXIII.

And thereupon your orator further shows unto your Honors:

That he has no plain, adequate, or speedy remedy at law, but only in equity.

WHEREFORE, and forasmuch as your orator is remediless in the premises, under and by strict rules of common law, and can only have relief in a court of equity where matters of this nature are recognizable and reviewable, files this, his amended bill of com-

plaint, and prays:

I. That the defendant, Joseph W. Satterthwaite, may be adjudged and decreed to hold said land described in paragraph V in trust for your orator, and to convey the same to your orator, and deliver to your orator any patent or other deeds of the same in his possession, and be restrained and enjoined from hereafter setting up any claim or title to said land, or any part thereof, or in any manner intermeddling therewith, or removing any timber or other product therefrom.

II. That the conveyance from the defendant, Joseph W. Satterthwaite, to John B. Mason, and from John B. Mason to the defendant D. W. Dineen, be adjudged and decreed to be of no force and effect, and, for the purpose of presenting a clear and unencumbered title in the plaintiff as against said pretended conveyance to the defendant D. W. Dineen, that the defendant D. W. Dineen be ordered, adjudged and decreed to convey said land, described in paragraph V of this amended complaint, to the plaintiff, and that in lieu of the said conveyance within a period of thirty days from the entry of the decree of this court, that the said decree be adjudged to stand as and for a conveyance in lieu of said conveyance from said D. W. Dineen to the plaintiff.

III. That the defendants may be adjudged and decreed to hold any timber or other product by them or their servants or agents removed from said land, or the proceeds or manufactured product from the same, in trust for your orator, and may be decreed to ac-

count to your orator for the same, or the value thereof, and to repay to your orator said value, with interest from the date of sale, if the same has been sold by the said defendants, or either of them.

IV. That upon the failure of the defendant, Joseph W. Satterthwaite, to deliver to your orator said conveyance prayed for above, and any patent or other deeds of the said land described in paragraph V, within a period of thirty days from the entry of the decree of this court, the said decree be adjudged and decreed to stand as a conveyance in lieu of such conveyance, patent or other deeds.

V. And your orator further prays: That your Honors may grant unto your orator a writ of subpoena of the United States directed to the defendants, Joseph W. Satterthwaite and D. W. Dineen, therein and thereby commanding said defendants, under a certain penalty therein to be named, personally to be and appear before your Honorable Court, then and there to answer, all and singular, (but not under oath, answer under oath being expressly waived), the matters and things aforesaid, and to stand and abide by and sustain such direction and decree as shall be made herein, as to your Honors shall seem equitable and just.

VI. And your orator prays for such further relief in the premises as the nature and circumstances of this cause may require and to your Honorable Court may seem reasonable and proper.

And your orator, as in duty bound, will ever pray.

A. D. DANIELS,

By Platt & Platt and Hugh Montgomery, His Solicitors.

Hugh Montgomery,
of Counsel.

[Exhibit "A."]

D. C. M. G. B. G.

DEPARTMENT OF INTERIOR.

Washington, Feb. 17, 1910.

E--900.

Aztec Land & Cattle Company, Lt'd.
E. B. Perrin
Lieu Selectors,

A. D. Daniels,
Claimant of Beneficial Interest,

vs.

Archie Johnson, et al,
Intervenors.

The Commissioner
Of the General Land Office.

Sir:

This is the appeal of Archie Johnson, et al., intervenors, from your office decision of April 13, 1909, sustaining the claim of A. D. Daniels, beneficiary under Lieu Selections, Nos. 15016, 15017 and 18, (Serials 0714, 0715, 0716) for certain described lands in the Lakeview Land District, Oregon. Questions affecting the validity of these selections have been subject of numerous decisions of the Land Department, and a detail statement of such proceedings covering a period of more than eight years, must of necessity be set out

in detail, if the issues now presented may be properly understood.

January 28, 1902, the lands involved were selected by the State of Oregon, per school indemnity lists Nos. 178 and 188 these lists were held for cancellation by your office, because of invalid base, and were finally cancelled in March and August, 1904, upon relinquishments filed on behalf of the state. The date of the filing of these relinquishments is one of the disputed questions in this record: and while not necessarily controlling, it is in view of this case important, and will be considered on its merits in the progress of this paper.

For present statement, it will be enough to say that the local officers and your office have found that it was filed Feb. 10, 1904, whereas it is claimed on behalf of A. D. Daniels, owner of the Beneficial interest in certain Forest Lieu Selections of these same lands, that it was filed Feb. 8, 1904. However this may be, the Forest Lieu Selections in question were filed on said last named date Feb. 8, 1904, but were rejected by the local officers in a letter to one, L. T. Barin, March 4, 1904, for conflict with certain homestead and timber and stone applications for part of the same lands, These Forest Lieu Selections were filed by Barin in the name of Edward B. Perrin, and Aztec Land and Cattle Co. but the said A. D. Daniels was the beneficial owner of the scrip, which was filed in his interests to protect his purchase from the state under its aforesaid Invalid Indemnity Selections.

On appeal, your office affirmed the action of the

Register and Receiver, giving as further reason and justification thereof the fact, that the Lieu Selections were presented at the local land office prior to cancellation of said Indemnity School Selections, and even prior to the filing of the state's relinquishment. Upon appeal, however, from this action of your office, the Department, Oct. 25, 1905, reversed your office decision, stating while the appeal was pending an affidavit had been filed by A. D. Daniels in which he stated that he was the real party in interest and the equitable owner of the lands assigned as bases for the Lieu Selections; that after its selections of the lands as School Indemnity, the State of Oregon had sold them to sundry purchasers, who paid part of the purchase price and assigned the certificates of sale to him, and he was then the owner thereof; that he thereafter became doubtful as to the validity of the State selection, and in order to protect his interests obtained relinquishments from the State and caused them to be filed in the Local Land Office at Lakeview with Lieu Selections; that in so doing he relied upon your office report of Oct. 13, 1904, (1903) to the Secretary of the Interior; which report was transmitted by the Department to the Governor of Oregon Oct. 17, 1904 (1903).

Considering the appeal, the Department held that the case, was controlled by its decision in the California and Oregon Land Company, (33 L. D. 595), that this case was in all essential respects the same as that one, and remanded the case with directions to adjudicate it thereunder. The Lieu Selections having

been returned to the Register and Receiver for allowance in accordance with said decisions, they were again, on Dec. 6, 1905, rejected by the local officers, for the reason that the lands had been withdrawn by telegram of June 25, 1904, for the Klamath River project. This action of the Register and Receiver was reversed by your officer Jan. 23, 1906, and the selections were remanded to be entered of record as of date Feb. 8, 1904, the day on which they were originally presented, if no other objection appeared. Under dates of March 5, and June 11, 1906, the Register submitted full reports to your office upon the said applications; and stated there were objections to the allowance of the same, in that there were various homesteads and timber and stone applications which had been allowed subsequently to the cancellation of the state's list. The Register also referred to the fact that Daniels had caused a contest to be instituted against the State's selection, and questioned his good faith in the matter.

Separate appeals were taken by the Aztec Land and Cattle Company and Perrin from this action of the local officers, and the papers in connection with the application of the Aztec Company were transmitted to the Department by your office, letter of May 9, 1906, for further consideration in connection with the report of the local office.

Upon sonsideration of the matter thus presented, the Department held in its decision of June 26, 1906, that the facts failed to show that Daniels, was entitled to protection as a Bona Fide purchaser from the

state; that the State's selections were filed Jan. 28, 1902, while the lands were sold on Jan. 21st, preceding, at which they were public lands of the United States, and no one purchasing them could claim to be a Bona Fide purchaser from the State; that as late as Oct. 5, 1903, Daniels was not asserting that he was a purchaser in good faith from the State, but was acting adversely to it and attempting to contest the lists under which he later asked for recognition as a Bona Fide purchaser and for equitable relief; that this position then was inconsistent with the position later assumed: and if had since acquired assignments of the State's certificates of sale, he had done so with full knowledge of the invalidity of the State's claim; that the facts set forth above were fatal to his contention that he was a Bona Fide purchaser, and as such should be permitted to file the State's relinquishment and obtain precedence over others seeking to appropriate the lands under the General land laws; that to conceed to him this privilege under letters Oct. 17 & 13, 1903, mentioned above, would in effect, be to make such persons as from time to time might constitute the State Land Board, agents to dispose of the public lands of the United States, within the State, to such persons as they might favor by means of sales of public land as state land, the subsequent filing of the State's list invalid for want of sufficient base; the filing of the State's relinquishment, and the protection of the purchaser from the state by grace of the Land Department. The Department accordingly held in that decision that the lieu selection should be rejected.

A motion for review of said decision of June 26th, 1906, having been filed by Daniels, Department, on May 15 and 18, 1907, rendered decisions holding that while Daniels, was not, strictly speaking a Bona Fide purchaser from the State, because the Certificates of sale issued by the State antedated the filing of the School Indemnity Selections, and therefore were made at a time when there was no actual claim of the State pending, still Daniels had not purchased the land until the month of April, 1902, nearly three months after the lands had been actually selected by the State, and that having paid a valuable consideration for the lands in an honest belief that a title was being obtained, that was sufficient to constitute a Bona Fide Purchase.

The decision of June 26th, 1906, was therefore recalled, and it was ordered that the Lieu Selection should be reinstated.

In promulgating the decision last mentioned, your office returned the Lieu Selections to the Local Land Office for allowance, and instructed the Register and Receiver to notify all parties who had made entry of said lands subsequently to the cancellation of the State's list to show cause within sixty days why their entries should not be cancelled, because of conflict with said Lieu Selections as a result of which a petition termed, a motion for re-review of Departmental decisions of May 15, and 18, 1907, was filed on behalf of Archie. Johnson who claimed a part of the Lands under a sale made thereof under the Public Land Laws.

This petition or motion charged, in effect, that a conspiracy had been formed for the purpose of acquiring the lands originally by means of the State's selection involved: that the entire proceeding by which title was sought to be acquired was fraudulent, and that the parties thereto should not be allowed to perfect title to the lands, to the injury of those who in good faith had entered the same under the public land laws.

Considering this petition, the Department stated in its decision of August 10th, 1907, that its previous decisions had been ex parte, and that the last decision favorable to Daniels did not prevent your office ordering a hearing, or taking other action with respect to the disposition of the claims of others which might be materially affected by the re-instatement of the claim of Daniels; and the case was accordingly remanded to your office for further consideration, to the end that a full and thorough investigation might be made into the matter, and your office was expressly advised that the previous decisions of the Land Department should in no wise embarass your action in the premises.

A hearing was accordingly ordered; and after due notice to all parties concerned, that the same was had before the local land office, May 25, 1908, Daniels appearing in person and by attorney, and the other parties claiming an interest either in person or by an attorney. The Local Land Office found that the case was not similar in all respects to that of the California and Oregon Land Company cited above; that in

that case there were no intervening rights or equities of other parties, while in the case under consideration the lands had been entered by bona fide settlers or purchasers, to many of whom final certificates had issued and in some instances even Patents had been issued.

The Register and Receiver accordingly recommended that the Homestead and Timber and Stone Entries of the various parties in the case should be allowed to remain in tact. Daniels appealed to your office, whereby your said decision of April 13, 1909, the action of the Local Office was reversed, and it was held that the Lieu Selections should remain in tact.

An appeal on behalf of the Homestead and Timber and Stone claimants brings the case before the Department. Most of the applicants to purchase the lands from the State upon whose supposed initiative these selections were made were not persons in being, but were fictitious persons, usually designated as "Dummies."

But while this is so, there is no evidence in this record showing or tending to show, that Daniels, or any person in privity with him, in fact, was a party to or had any knowledge of the intended fraud; and every material fact in this record supports the conclusion that Daniels bought in good faith, the Certificates of sale issued by the State. He had never heard of these State's Selections until one McHale, a timber land speculator of whom he had no personal acquaintance, but who was known to him by reputation, had reported to him that there was a large body of timber

land for sale, at Klamath, Oregon; and upon McHale's representations, he constituted McHale his agent under powers which amounted to, co-partnership, and McHale went to Klamath Falls to fully investigate these lands and the title thereto. McHale had instructions from Daniels, among other things, to secure the services of an attorney upon the question of title.

He did so. The attorney after an examination of the certificates of sale, reported that the title was good, and McHale's inquiries into the character of the land being satisfactory the results of his investigations was reported to Daniels and the deal was closed, upon the payment by Daniels of $23,901.10 for the certificates, of sale, and the further payment to the State of the unpaid ballance of the purchase price thereon, amounting to $3,033.74. Daniels had no personal acquaintance with any of the parties to the transactions; and so far as it appears from this record, he had no knowledge, information or belief which should have caused him to question the bona fides, of the people with whom he was dealing, or cause him to suspect that there was irregularity in the transaction. Nor was there anything in his connection with subsequent events, in his efforts to acquire title to these lands which may reasonably be said to go to the good faith of his purchase. It appears that rumors were soon thereafter rife with reference to land frauds in Oregon in connection with its school land grant.

The rumors reached Daniels and he promptly investigated them, finding for the first time that his title was questionable, upon the advice of his attorney, he initiated a contest against the State's selections upon which his title rested, hoping thereby to protect his purchase by acquiring an equitable preference right.

As a result of this contest, the state refunded the money which he had paid it and put in the hands of his attorney a relinquishment to the United States of all rights under its selections. Daniels then caused said relinquishments to be filed in the District Land Office, together with the Lieu Selections. There was certainly nothing reprehensible in this proceeding. Moreover, it was taken upon certain suggestions made in your said report of October 13, 1903. This report was responsive to a letter from the Governor of Oregon, September 28, 1903, wherein the inquiry was made of this department as to the means of protecting bona fide purchasers of the school indemnity lands from the State in instances where the State's selections had been cancelled for invalid base. Your offices reported among other things, and this is the same report transmitted to the Governor of Oregon, Oct. 13, 1903, that as to such selections—

while the selection is of record and uncancelled, the land is segregated thereby, and no right can be acquired by the presentation of an applicaiton therefor (29 L. D. 29), but the purchaser holding the State's relinquishment may present it with his application and thereby secure right of entry.

This is also the plain holding of this Department in the
in California and Oregon Land Company, supra, and is precisely the course pursued by Daniels in this case. His contest against the State's selection was to that end. He secured the State's relinquishments and presented them with the aforesaid applications to scrip the land.

It is true the record shows that the relinquishments were not marked, filed, in the local office until Feb. 10, 1904, which was two days after the presentation of the scrip applications.

It is further shown that it was the custom in that office to note the filing of the relinquishments of entries and filings upon public lands on the same day they were received in the office; and a clerk in said office gives it as his opinion that if these relinquishments had been receved on February 8, instead of February 10, the filing would have been noted on the day they were received.

But it is evident from the facts and circumstances surrounding the incident that the scrip applications and the State's relinquishments were, in fact, filed simultaneously.

The filing was by mail, and the letter of transmittal was written by Daniel's attorney, the said L. T. Barrin.

The letter recites that it contains the relinquishments in question, and it was received at the local land office February 8. Moreover, the action of the local officers at the time in rejecting the proffered

scrip applications, is put upon the ground that part of the lands were covered by pending homestead and timber and stone applications, whereas if the State had not then relinquished its school indemnity selections, the local officers would surely have assigned this as the reason for rejection of said applications, because this reason would have applied to all of the lands involved, instead of only a small portion of them, as was the case with the reason assigned.

It is worthy of too, that there has not been found any correspondence or record which would indicate that if the said Barin, had left these relinquishments out of his letter by inadvertence, they were ever afterwards transmitted to the local land office, and no correspondence or record of correspondence showing that if he had been guilty of such inadvertence he was ever advised thereof by the local officers.

I conclude therefore, on this branch of the case that the relinquishments in question and the scrip applications were filed at the same time, as was suggested they might be, in your office report of September 28th, 1903, above quoted.

Under existing regulations, it was the duty of the Register and Receiver to forward these applications, and these relinquishments without action for the consideration and disposition of your office. This however, it has been seen, was not done.

The scrip applications were rejected, and the history of the case, hereinbefore set out, shows that these applications were kept alive by successive appeals,

and that the case was twice remanded to the local officers, with directions to allow the applications, but various reasons were assigned for the neglect or failure of the local officers to obey these instructions.

It is believed that these applications might have been allowed, not as a matter of right, but in the discretion of the Secretary of the Interior; and if the instructions of the Secretary had been carried out, it would have been done before the case became complicated by the counter-equitable considerations arising upon the unfortunate allowance of the Homestead and Timber and Stone entries for most of these lands. It is thought however, that in instances where the land department has permitted these entries and filings to go of record, where they have become closed transactions, the Department would not be justified in cancelling such entries and filing, for the purpose of protecting the equities of Daniels in these lands. It matters not if Daniels' application was in all respects regular and might have been allowed when presented; yet it was within the competency of the Land Department to dispose of the said lands to other persons; and having done so, Daniels will not now be heard to question the correctness of that disposition.

See Hoyt vs. Weyerhauser et al). (161 F. E. D., Rep., 324).

It appears however, from your office reports of Dec. 16, 1909, that there are approximately 107 quarter Sections of land involved in this case. Of these, twenty-eight are involved in homestead entries, four

in cash entries and homestead entries, twenty-four in cash entries, twenty-five in Timber and Stone sworn statements, twelve are free and unappropriated, eight of them do not appear to be covered by the Lieu Selections in question, and seven of them have been patented.

In view of what has been said, the claim of Daniels must be denied as to all of them except those covered by Timber and Stone sworn statements only, and those that are unappropriated, amounting to what seems to be, from your office reports, approximately thirty-seven quarter sections in all.

As to these lands, the Timber and Stone applicants have not put themselves in privity with the United States, and the Land Department has not entered in to such Contract with them as to preclude other disposition of the lands.

See Campbell vs. Weyerhauser et al (161 Fed. Rep., 332).

This being true, and believing that the equities of Daniels should be protected to the fullest extent consistent with equitable administration, I have to direct that the Scrip applications be allowed as to all tracts which have not been otherwise disposed of, and rejected as to such as now appear to be covered by Homestead and cash entries.

The decision appeal from is modified. The papers are herewith returned.

Very respectfully,

FRANK PIERCE,
First Assistant Secretary.

Enclosures.

[Endorsed]: Amended Bill in Equity. Filed May 17, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 6 day of June, 1912, there was filed in said Court, a Demurrer to Amended Bill, in words and figures as follows, to wit:

[Demurrer to Amend Bll.]

In the District Court of the United States, for the District of Oregon.

A. D. DANIELS,

Plaintiff,

vs.

D. W. DINEEN and JOSEPH W. SATTERTHWAITE,

Defendants.

TO THE HONORABLE JUDGES OF THE DISTRICT COURT OF THE UNITED STATES IN AND FOR THE DISTRICT OF OREGON:

Comes now the defendants, D. W. Dineen and Joseph W. Satterthwaite and demur to the amended bill of complaint of A. D. Daniels plaintiff herein on the following ground:

I.

That the plaintiff has not by his said amended bill made such a case as entitles him in a Court of Equity to any discovery from the defendants or any relief against them as to the matters contained in the said amended bill, or any of such matters.

II.

That this Court has no jurisdiction of this cause for the reason that as disclosed by the amended bill of complaint the plaintiff never acquired any vested interest in the lands described in the said amended bill of complaint and, not having any equitable interest therein, is not entitled to maintain this suit.

III.

That this Court is without jurisdiction in this case because the land set forth in the amended bill of complaint was entered by the defendant D. W. Dineen's grantor at a time when it was surveyed, un-appropriated and vacant public land and his right to enter the same was passed upon by the General Land Office of the United States and his entry was decided to be legal and proper and patent to the said land was thereupon issued to him. That the said determination by the General Land Office of the United States was a determination of a question of fact and cannot be reviewed by this Court.

Wherefore and for divers other good causes of demurrer appearing in the said amended bill, defendants demur thereto and demand the judgment and decree of this Honorable Court whether they shall be compelled to make any other or further answer to the said amended bill and pray to be hence dismissed with their costs and charges in this behalf most wrongfully sustained.

ANGELL & FISHER,

Solicitors for Defendants, E. D. Dineen and Joseph W. Satterthwaite.

UNITED STATES OF AMERICA,
District of Oregon—ss.

I, Homer D. Angell, being first duly sworn, depose and say that I am one of solicitors and of counsel for defendant D. W. Dineen herein and I certify that, in my opinion, the aforesaid demurrer is well founded in point of law.

(Signed) HOMER D. ANGELL.

Subscribed and sworn to before me this 31 day of May, A. D., 1912.

[Seal] (Signed) FORREST S. FISHER,
Notary Public for Oregon.

STATE OF CALIFORNIA,
County of Sonoma—ss.

I, D. W. Dineen, being first duly sworn, depose and say that I am one of the defendants herein and that the aforesaid demurrer is not interposed for delay.

(Signed) D. W. DINEEN.

Subscribed and sworn to before me this 27 day of May, A. D., 1912.

[Seal.] (Signed) EMMA HERMONN,
Notary Public.

Residing at Cloverdale, California.

[Endorsed]: Demurrer to Amended Bill in Equity. Filed June 6, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 3 day of August, 1912, there was issued out of said Court a Decree, in words and figures as follows, to wit:

[Decree.]

In the District Court of the United States, for the District of Oregon.

A. D. DANIELS,

Plantiff,

vs.

D. A. DINEEN and JOSEPH W. SATTERTHWAITE,

Defendants.

This cause having come on regularly to be heard by the Court upon the demurrer of the defendants to the amended bill of complaint of the above named plaintiff, and the defendants having appeared by their attorneys Angell & Fisher, and the plaintiff having appeared by his attorneys Messrs. Platt & Platt and Hugh Montgomery, and the Court having heard the arguments of counsel for the respective parties hereto, and having taken the said cause under advisement, and fully considered the same, and being now fully advised in the premises, and it appearing to the Court that said demurrer is well taken and should be in all respects sustained, and that said amended bill of complaint is without equity, and should be dismissed.

IT IS THEREFORE ORDERED, CONSIDERED, ADJUDGED AND DECREED by the Court that the said demurrer to said amended bill of complaint be, and the same is hereby, in all respects sustained, and that said amended bill of complaint be, and the same is hereby dismissed, and that said defendants

have and recover of and from said paintiff their costs and disbursements herein, taxed at $.....

Dated this 3rd day of August, 1912.

R. S. BEAN,
Judge

[Endorsed]: Decree Sustaning Demurrer and Dismissing Amended Bill in Equity. Filed August 3, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 29 day of August, 1912, there was filed in said Court a Petition for Appeal, in words and figures as follows, to wit:

[Petition for Appeal.]

In the District Court of the United States, for the District of Oregon.

A. D. DANIELS,
Plaintiff,

vs.

D. W. DINEEN and JOSEPH W. SATTERTHWAITE,
Defendants.

The above named complainant conceiving himself aggrieved by the order and decree made and entered in the above entitled cause on the 3rd day of August, 1912, does hereby appeal from said order and decree to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, for the reasons specified in the Assignment of Errors, which is filed herewith, and he prays that this appeal may be allowed, and

that a transcript of the record, papers, and proceedings and all things concerning the same, duly authenticated may be sent to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, upon his filing a bond for the payment of all damages and costs if he fails to prosecute the said appeal to effect which bond shall act as a supersedeas bond.

A. D. DANIELS,

By Platt & Platt and Hugh Montgomery, Solicitors for Plaintiff.

Hugh Montgomery,
of Counsel.

[Endorsed]: Petition for Appeal. Filed Aug. 29, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 29 day of August, 1912, there was filed in said Court, Assignments of Error, in words and figures as follows, to wit:

[Assignments of Error.]

In the District Court of the United States, for the District of Oregon.

A. D. DANIELS,

Plaintiff,

vs.

D. W. DINEEN and JOSEPH W. SATTERTHWAITE.

Defendants.

Now, on this 29th day of August, 1912, comes the complainant, A. D. Daniels, appearing by Messrs.

Platt & Platt, and Hugh Montgomery, his solicitors of record and says that the decree made and entered therein on the 3rd day of August, 1912, is erroneous and against the just rights of said plaintiff, and that there is manifest error, and for error the said complainant assigns the following:

I.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the plaintiff, on the 8th day of April, 1904, made a valid forest lieu selection of the lands described in paragraph V of plaintiff's amended bill filed in said cause under and in accordance with the provisions of the act of Congress of June 4th, 1897, set forth in paragraph VII of plaintiff's amended bill of complaint.

II.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the forest lieu selection of the plaintiff made upon the lands described in paragraph V of his amended bill of complaint was prior in time and initiated a right and interest superior to the claim of any person or persons whomsoever and particularly the defendant.

III.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the

demurrer the attempted timber and stone entry of the defendant was subsequent in time and inferior in right to the forest lieu selection of the complainant.

IV.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the forest lieu selections of the plaintiff had been approved by the proper officers of the United States government which approval gave the plaintiff a vested interest in the land so selected.

V.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the alleged timber and stone entry of the defendant was made in contravention of the vested rights of the plaintiff herein.

VI.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the complainant was euitably entitled to be protected in the forest lieu selections which he had made on the lands described in paragraph VI of his amended bill of complaint, as against the claims of the defendant or any person or persons whomsoever.

VII.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of com-

plaint in that it did not hold that by the admissions of the demurrer the complainant was equitably entitled to have the defendant declared a trustee for the plaintiff of the lands described in paragraph VI of his amended bill of complaint.

VIII.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that the bill of complaint stated a good cause of action to which the defendant should be required to file her answer or plea.

IX.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint and decreeing that said amended bill of complaint be dismissed and allowing costs to the defendant.

X.

Because the above entitled court erred in sustaining the demurrer to plaintiff's amended bill of complaint in that it did not hold that by the admissions of the demurrer the defendant Joseph W. Satterthwaite, prior to the issuance of patent as alleged in paragraph XX of plaintiff's amended complaint, and without any consideration whatsoever therefor, and with full knowledge of the rights and equities of the plaintiff herein, attempted to sell, transfer, and convey all his right, title, and interest acquired under and by virtue of his said entry prior to the issuance of patent, to one John B. Mason, and said John B. Mason received

the said pretended conveyance with like knowledge of the rights and equities of plaintiff herein, and said John B. Mason, without any consideration whatsoever moving to him, attempted to sell, transfer, and convey all his right, title, and interest to the defendant D. W. Dineen, which said pretended attempted conveyance was received by said D. W. Dineen with full knowledge of the rights and equities of the plaintiff herein.

WHEREFORE, the plaintiff and plaintiff in error prays that the decree of said court be reversed and such directions be given that full force and efficacy may enure to the plaintiff by reason of the cause of suit set up in his amended bill of complaint filed in said cause, and that a decree be entered in accordance with the prayer of plaintiff's amended bill of complaint.

PLATT & PLATT and HUGH MONTGOMERY,
Solicitors for Plaintiff.

Hugh Montgomery,
of Counsel.

[Endorsed]: Assignment of Errors on Appeal. Filed Aug. 29, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 29 day of August, 1912, there was filed in said Court, a Bond on Appeal, in words and figures as follows, to wit:

[Bond on Appeal.]

In the District Court of the United States, for the District of Oregon.

A. D. DANIELS,

Plaintiff,

vs.

D. W. DINEEN, and JOSEPH W. SATTERTHWAITE,

Defendants.

KNOW ALL MEN BY THESE PRESENTS:

That we, A. D. Daniels, as principal, and Fidelity & Deposit Company of Maryland, a corporation, as surety, are held and firmly bound unto D. W. Dineen and Joseph W. Satterthwaite, in the full and just sum of Five Hundred ($500) Dollars to be paid to the said D. W. Dineen and Joseph W. Satterthwaite, their executors, to which payment well and truly to be made we bind ourselves, our heirs, executors, administrators and assigns, jointly and severally by these presents;

Sealed with our seals this 29th day of August, A. D., 1912.

WHEREAS, lately at the District Court of the United States for the District of Oregon, in a suit pending in said court between A. D. Daniels, plaintiff, and D. W. Dineen and Joseph W. Satterthwaite, defendants, a decree was rendered against said plaintiff, A. D. Daniels, and said A. D. Daniels, having petitioned an appeal and filed a copy thereof in the clerk's ofifce in said court to reverse the same in

the aforesaid suit, and a citation directed to the said D. W. Dineen and Joseph W. Satterthwaite citing and admonishing them to be and appear at a session of the United States Circuit Court of Appeals for the Ninth Judicial Circuit to be holden in the city of San Francisco in said Circuit, on the 28th day of September, A. D., 1912, having been served on said defendants;

NOW the condition of this obligation is such, that if the said A. D. Daniels shall prosecute his appeal to effect, and answer all damages and costs if he shall fail to make his plea good, then the above obligation to be void, else to remain in full force and virtue.

A. D. DANIELS.
By PLATT & PLATT.

FIDELITY & DEPOSIT COMPANY OF MARYLAND,

[Seal]

By W. J. CLEMENS,
Agent.
By HARRISON G. PLATT,
Attorney in Fact.

Examined and approved this 29th day of August, 1912.

R. S. BEAN,
District Judge.

[Endorsed]: Bond on Appeal. Filed Aug. 29, 1912.

A. M. CANNON,
Clerk U. S. District Court.

And afterwards, to wit, on the 29 day of August, 1912,

there was filed in said Court an Order Allowing Appeal, in words and figures as follows, to wit:

[Order Allowing Appeal.]

In the District Court of the United States for the District of Oregon.

A. D. DANIELS,

Plaintiff,

vs.

D. W. DINEEN and JOSEPH W. SATTERTHWAITE,

Defendants.

This day came A. D. Daniels, plaintiff, appearing by Messrs. Platt & Platt and Hugh Montgomery, his solicitors of record and presented his petition for an appeal and an assignment of errors accompanying the same which petition, upon consideration of the court, is hereby allowed, and the court allows an appeal to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, upon the filing of a bond in the sum of $500 with good and sufficient surety to be approved by the court; and

It is further ordered that said bond shall act as a supersedeas bond, and

IT is further ordered that a certified transcript of the record, and all proceedings herein be forthwith transmitted to the said United States Circuit Court of Appeals.

R. S. BEAN,

Judge.

Dated this 29th day of August, 1912.

And afterwards, to wit, on the 30 day of August, 1912, there was filed in said Court, a Citation, in words and figures, as follows, to wit:

[Citation to Appellees.]

In the United States Circuit Court of Appeals for the Ninth Circuit.

A. D. DANIELS,

Appellant,

vs.

D. W. DINEEN and JOSEPH W. SATTERTHWAITE,

Appellees.

UNITED STATES OF AMERICA,
Ninth Judicial Circuit—ss.

TO D. W. DINEEN and JOSEPH W. SATTERTHWAITE,

GREETING:

WHEREAS, A. D. Daniels, appellant in the above entitled suit has lately appealed to the United States Circuit Court of Appeals for the Ninth Judicial Circuit, from a decree lately rendered in the District Court of the United States for the District of Oregon, made in favor of you, the said D. W. Dineen and Joseph W. Satterthwaite, and has filed the security required by law; you are therefore hereby cited to appear before the said United States Circuit Court of Appeals at the City of San Francisco, State of California, on the 28th day of September, next, to do and receive what may pertain to justice to be done in the premises.

Given under my hand at the City of Portland in the Ninth Judicial Circuit this 29th day of August, in the year of our Lord, one thousand nine hundred twelve.

R. S. BEAN,

Judge of the District Court of the United States.

UNITED STATES OF AMERICA,

District of Oregon—ss.

Due service of the within Citation to Appellees, by certified copy thereof, as required by law is hereby acknowledged at Portland, Oregon, this 3rd day of August, 1912.

ANGELL & FISHER,

Of Attorneys for Appellees.

[Endorsed]: Citation to Appellees. Filed Aug. 30, 1912.

A. M. CANNON,

Clerk U. S. District Court.

And afterwards, to wit, on the 28 day of September, 1912, the same being .....Judicial day of the Regular July, 1912, Term of said Court; Present: the Honorable R. S. BEAN, United States District Judge presiding, the following proceedings were had in said cause, to-wit:

[Order Enlarging Time to File Record.]

In the District Court of the United States for the District of Oregon.

A. D. DANIELS,

Plaintiff,

vs.

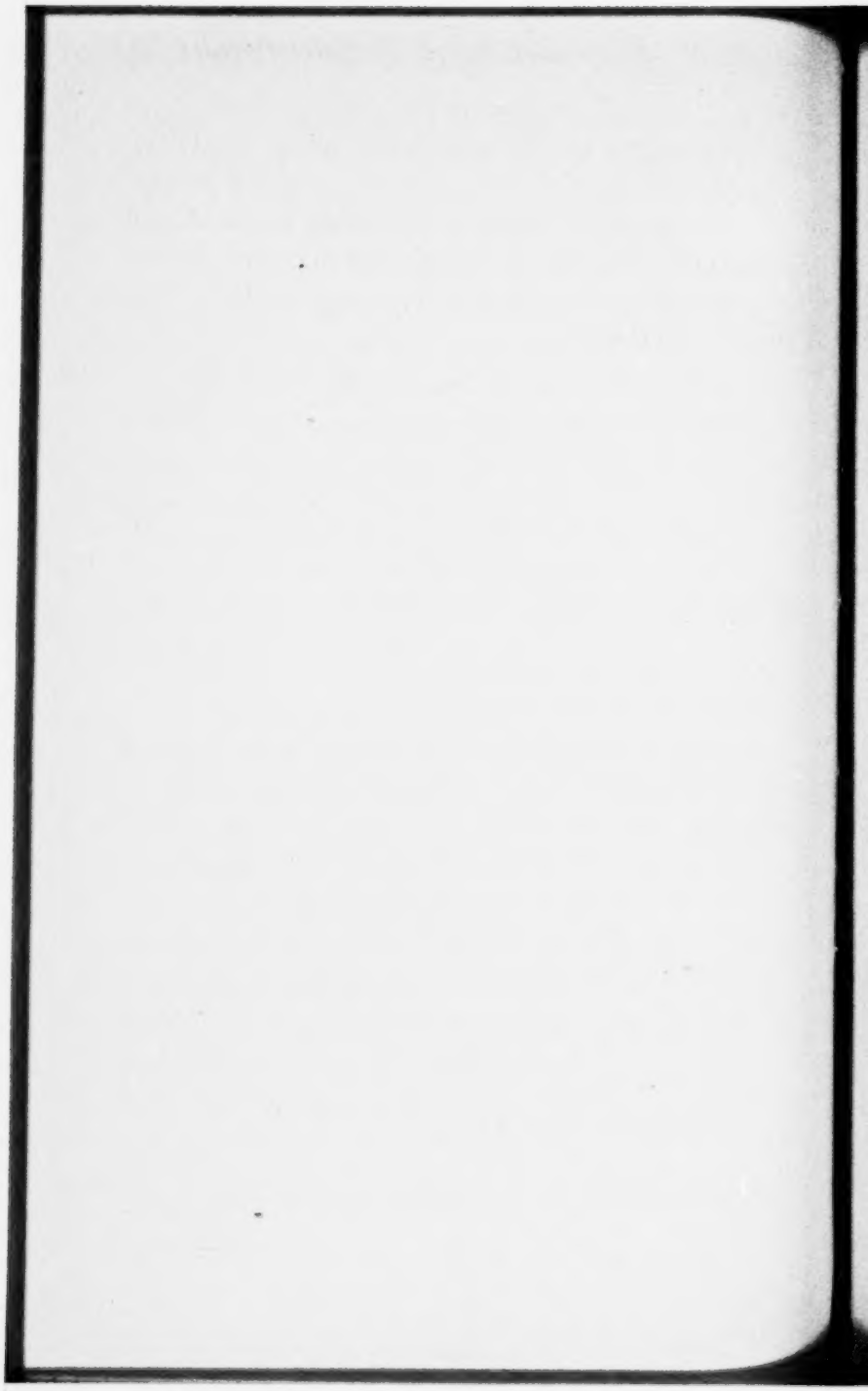
D. W. DINEEN and JOSEPH W. SATTERTHWAITE,

Defendants.

September 28, 1912.

Now, at this day, for good cause shown, it is ORDERED that the plaintiff's time for filing and docketing the record on appeal in this cause in the United States Circuit Court of Appeals, Ninth Circuit, be and the same is hereby enlarger and extended ninety (90) days from this date.

R. S. BEAN,
Judge.



No. 2218

IN THE

UNITED STATES CIRCUIT COURT OF APPEALS

FOR THE NINTH CIRCUIT.

A. D. DANIELS,

Appellant,

vs.

D. W. DINEEN and JOSEPH W. SATTERTHWAITE,

Appellees.

Proceedings had in the United States Circuit Court of Appeals for the Ninth Circuit.

At a stated term, to wit, the October Term A. D. 1912, of the United States Circuit Court of Appeals for the Ninth Circuit, held in the courtroom thereof, in the City and County of San Francisco, in the State of California, on Thursday, the sixth day of February, in the year of our Lord one thousand nine hundred and thirteen. Present: The Honorable WILLIAM B. GILBERT, Circuit Judge; Honorable WILLIAM W. MORROW, Circuit Judge; Honorable CHARLES E. WOLVERTON, District Judge.

No. 2218.

A. D. DANIELS,

Appellant,

vs.

D. W. DINEEN and JOSEPH W. SATTERTHWAITE,

Appellees.

Order of Submission in U. S. Circuit Court of Appeals.

ORDERED, appeal in the above-entitled cause argued by Mr. Hugh Montgomery, counsel for the appellant, and by Mr. Homer D. Angell, counsel for the appellees, and submitted to the Court for consideration and decision.

In the United States Circuit Court of Appeals for the Ninth Circuit.

A. D. DANIELS,

Appellant,

vs.

JESSIE E. WAGNER,

Appellee.

Opinion U. S. Circuit Court of Appeals.

PLATT & PLATT and HUGH MONTGOMERY, for the Appellant.

ANGELL & FISHER, F. H. MILLS, ARTHUR I. MOULTON and P. A. LAFFERTY, for the Appellees.

Before GILBERT and MORROW, Circuit Judges, and WOLVERTON, District Judge.

The decision in this case involves the merits of sixteen suits pending in this court on appeal, in all of which A. D. Daniels, the appellant, was the complainant in the court below. The object of each suit was to obtain a decree declaring the defendants therein holders of the legal title to the land described in each case as trustees for said complainant. Demurrers to the bills for want of equity were sustained, and from the decrees thereupon rendered dismissing the bills, the appeals are taken.

The allegations in the bills are substantially the same. In the case which is above-entitled the allegations are in substance the following: That on and prior to April 12, 1902, Edward B. Perrin and the

Aztec Land & Cattle Company, Ltd., a corporation, each owned certain lands in fee simple in the Territory of Arizona; that on that date those lands were included within the limits of the San Francisco Mountains Forest Reserves, and that thereafter, on February 2, 1904, under the provisions of the Act of Congress of June 4, 1897, the said land owners relinquished and conveyed to the United States their interest in said lands, and on February 8, 1904, they made lieu selections of certain public lands in Klamath County, Oregon, for the benefit of the complainant; that the selections were perfected by presenting the recorded deed, together with a full, true and correct abstract of title showing that the selectors were the owners in fee simple of the lands relinquished; that on or about June 28, 1902, the State of Oregon had filed upon the lands so selected certain instruments purporting to be school indemnity lists, and before the approval of the lists, had sold the lands to the complainant, but that thereafter, owing to the invalid character of the base lands tendered in said lists, the lists were held for cancellation, and in March and August, 1904, were finally cancelled and relinquishments of said lists were filed on behalf of the State of Oregon; that prior to such cancellation, the State of Oregon acting through the officers of the State Land Board, sold to various *bona fide* purchasers for value the timber lands upon which the said school indemnity lists had been filed, and that the appellant in good faith purchased the said lands from the State of Oregon; that thereafter, discovering that the State had no right, title or interest in

said lands so conveyed, the forest lieu selections already referred to were made for the purpose of protecting complainant's interest in said lands; that at the time of making their selections, the selectors filed with their selections relinquishments from the State of Oregon of any rights which it might have acquired by virtue of the school indemnity lists so filed by it; that after making such lieu selections and filing such relinquishments, the officers of the Land Office at Lakeview, Oregon, having allowed other entries to be made upon the lands so selected by homestead, timber and stone applications for the lands, rejected the selections so made by the complainant's predecessors in interest; that upon appeal to the Commissioner of the General Land Office, the action of the Register and Receiver at Lakeview was affirmed; that the Commissioner advanced as a further reason for the rejection that at the time when the lieu selections were presented at the local land office, the State indemnity school selections had not been cancelled or relinquished; that the State of Oregon executed relinquishments and the same were filed in the Land Office, bearing the file-mark of February 10, 1904; that the relinquishments were forwarded to the Commissioner of the General Land Office, and on March 7, 1904, he advised the Register and Receiver at Lakeview that the relinquishments had been received, and directed them to make due notation that the lists were cancelled, "leaving the lands open to entry by the first legal applicants"; that thereafter the appellee made application for the land at the local land office, and his filing was accepted; that thereafter various

proceedings were had in the Land Department, concerning the land so entered, and on August 10, 1907, the Secretary of the Interior instructed the Commissioner to order a hearing, that a full investigation might be had of the whole matter; that upon the hearing the local land office found that the lands had been entered by *bona fide* settlers or purchasers, to many of whom certificates, and in some instances, patents had issued; that the Register and Receiver accordingly recommended that such entries be allowed to remain, and the Secretary of the Interior finally so decided on February 17, 1910, holding that the greater equities were with the Homestead and Stone and Timber entrymen, and that in the discretion of the Secretary, such entries might be protected against the right of the scrip applications, and said: "It matters not if Daniels' application was in all respects regular and might have been allowed when presented; yet it was within the competency of the Land Department to dispose of the said lands to other persons, and having done so, Daniels will not now be heard to question the correctness of that disposition."

GILBERT, Circuit Judge, after stating the case:

The appellant contends that by virtue of his offer to select the lands in question, and the tender in exchange therefor of a deed and abstract of title to the lands offered for surrender, he thereby became the equitable owner of the lands so sought to be selected, notwithstanding that his selection was rejected by the officers of the local land office, and that their rejection was affirmed by the Secretary of the Interior,

and that the patent having issued to the appellees, when in equity and good conscience, and according to law, it should have gone to the appellant, the Court should convert the holder of the legal title into a trustee for the appellant, and compel conveyance of the legal title to him.

In considering, in the light of the adjudications, the question here presented, it is essential to bear in mind the distinction between the right acquired by a Railroad Company, under a congressional grant of lands to aid the construction of a railroad, to select within the indemnity limits lands in lieu of those which are lost in the place limits, and the right of a lieu land selector under the Act of June 4, 1897. The former is a substantial right in the lands lying in the indemnity limits, given in consideration of the construction of a railroad, and is confined to specific lands within certain boundaries which are defined in the grant. It is a vested right, of which the grantee could not be deprived, by an Act of Congress or by other authority. In Weyerhaeuser vs. Hoyt, 219 U. S. 387, the Court declared that it was the intention of Congress in making such a grant, "to confer a substantial right to land within the indemnity limits in lieu of land lost within the place limits." The right of selection of lieu land given under the Act of June 4, 1897, however, is in the first instance but an offer by the Government to exchange lands. It is based upon no valuable consideration actually received. It attaches to no specific lands, nor to lands within any defined limits. It does not attach upon the mere presentation of the requisite papers. It at-

taches only when the authorized officers of the Government accept the offer to exchange. Nor is it true that the filing of the lieu selection papers and the acceptance of the same by the local Land Office segregates the land upon which the filing is made so as to cut off intervening and subsequent rights as against the lieu selectors. In Roughton vs. Knight, 219 U. S. 537–547, in construing the Act of June 4, 1897, the Court said: "Manifestly there must be an acceptance of the relinquishment by someone authorized to decide upon its sufficiency, and an assent to the particular selection made in lieu." In Cosmos Exploration Co. vs. Gray Eagle Oil Co., 190 U. S. 310, lieu land had been selected under the Act of June 4, 1897. The selector complied with the provisions of the Act. His selection was received and accepted, and entered on the records of the local land office. At that time there was no adverse claim. Before the issuance of a patent, the selector's grantee brought a suit against the defendants, who had entered the land as a mineral claim, he claiming that his grantor had become vested with the complete equitable title to the land so selected, and had become entitled to receive a patent. The Court held that it had no jurisdiction prior to the issuance of the patent to determine who was entitled to receive it, and that under the Act of June 4, 1897, the officers of the local land office had no authority to decide whether the selector had complied with the provisions of the Act, that authority being vested in the Commissioner of the General Land Office. The Court said: "But even the complete equitable title asserted by a complainant must,

as it would seem, be based upon the alleged right of the local land officers to accept the deed and approve the selection, even though such approval may be thereafter the subject of a review in the nature of an appeal from the action of the local officers. There must be a decision made somewhere regarding the rights asserted by the selector of land under the Act before a complete equitable title to the land can exist. The mere filing of papers cannot create such title. The application must comply with and conform to the statute, and the selector cannot decide the question for himself. We do not see how it can be successfully maintained that without any decision by any official representing the Government, and by merely filing the deed relinquishing to the Government a tract of forest reserve land, and assuming to select a similar area of vacant land open to settlement, the selector has thereby acquired a complete equitable title to the selected land." It is urged that this language of the Court is *dictum*, but we do not so regard it. It contains the reasoning of the Court in determining the nature of the rights of the complainant in that case. But if, indeed, it is true that the expression of such views was unnecessary to the determination of the case which was before the Court, the language used sets forth the mature and unanimous judgment of the members of that court on the question of law which is involved in the case at bar, and we deem it controlling in the decision of the present case.

Nor do we find ground to sustain the appellant's contention that the views of the Court so expressed

in the Cosmos Exploration Company case have been modified by the decision in Weyerhaeuser vs. Hoyt, 219 U. S. 380. That was a case which involved the right of a railroad company to select lands within the indemnity limits of its grant. The Court held that selections of lieu lands filed with the Secretary of the Interior excluded the right of others to appropriate the lands embraced therein pending action by the Secretary, and that the railroad company's rights to such lieu lands so selected were superior to those of a purchaser under the Timber and Stone Act who filed pending final decision by the Secretary, and that the final decision by the Secretary related back to the date of the original selections. Prior to that time, the Court had said, in New Orleans Pacific Ry. Co. vs. Parker, 143 U. S. 57: "As to lands within the indemnity limits, it has always been held that no title is acquired until the specific parcels have been selected by the grantee and approved by the Secretary of the Interior." The same was held in Humbird vs. Avery, 195 U. S. 507. In Wisconsin Central Ry. Co. vs. Price County, 133 U. S. 496, 512, the Court said: "Until the selections were approved there were no selections in fact, only preliminary proceedings taken for that purpose; and the indemnity lands remained unaffected in their title"; and in Sjoli vs. Dreschel, 199 U. S. 565, the Court held it to be established doctrine "that no rights to lands within indemnity limits will attach in favor of the railroad company until after selections made by it with the approval of the Secretary of the Interior; that up to the time such approval is given, lands within indem-

nity limits, although embraced by the company's list of selections, are subject to be disposed of by the United States, or to be settled upon and occupied under the pre-emption and homestead laws of the United States; and, That the Secretary of the Interior has no authority to withdraw from sale or settlement lands that are within indemnity limits which have not been previously selected, with his approval, to supply deficiencies within the place limits of the company's road." In the Weyerhaeuser case, the Court distinguished the Sjoli case by saying that it belonged to a class of cases in which there was no question of right by relation involved, and that the general language which we have quoted from the opinion was to be considered in view of the questions which were presented in that case, and that to apply it in the Weyerhaeuser case would be in effect to destroy the indemnity provisions of the Granting Act. No reference was made to the decision in the Cosmos Exploration Company case, and this was evidently for the reason that the language of the Court in that case was deemed to be applicable solely to the right of selection granted by the Act of June 4, 1897, and that the Court recognized and intended to reaffirm the vital distinction which it had found between such rights and the rights of a selector of indemnity lands under a grant to a railway company in aid of the construction of its road. Stalker vs. Oregon Short Line, 225 U. S. 142, is in line with Weyerhaeuser vs. Hoyt and so is Svor vs. Morris, 227 U. S. 524. We consider the decision in the Cosmos Exploration Company case authority for sustaining the decree of the

court below. But there is additional ground for sustaining it in the fact that, at the time when the appellant's selection was initiated on February 8, 1904, the lands involved herein appeared upon the records of the local land office as selected by the State of Oregon by certain school indemnity lists, and that those lists were not relinquished by the state until February 10, 1904. This sufficiently appears from the decision of the Secretary of the Interior, which is made an exhibit to the bill and is controlling in so far as it varies from the allegations of the bill. Greenameyer vs. Coate, 212 U. S. 434, 443.

The decree in each of the sixteen suits, Nos. 2212–2227, is affirmed.

[Endorsed]: Filed May 5, 1913. F. D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

United States Circuit Court of Appeals for the Ninth Circuit.

No. 2218.

A. D. DANIELS,

Appellant,

vs.

D. W. DINEEN and JOSEPH W. SATTERTHWAITE,

Appellees.

Decree, U. S. Circuit Court of Appeals.

Appeal from the District Court of the United States for the District of Oregon.

This cause came on to be heard on the Transcript of the Record from the District Court of the United States for the District of Oregon and was duly submitted:

On consideration whereof, it is now here ordered, adjudged, and decreed by this Court, that the decree of the said District Court in this cause be, and hereby is, affirmed with costs in favor of the appellees and against the appellant.

It is further ordered, adjudged, and decreed by this Court, that the appellees recover against the appellant for their costs herein expended, and have execution therefor.

[Endorsed]: Filed and entered, May 5, 1913. F. D. Monckton, Clerk.

[Title of Court and Cause.]

Petition for Allowance of Appeal to Supreme Court of the United States.

PETITION FOR APPEAL FROM THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE NINTH CIRCUIT TO THE SUPREME COURT OF THE UNITED STATES.

The above-mentioned appellant, A. D. Daniels, respectfully shows that the above-entitled cause is now pending in the United States Circuit Court of Appeals for the Ninth Circuit and that a decree has therein been rendered, on the fifth day of May, A. D. 1913, affirming the decree of the District Court of the United States for the District of Oregon, and

that the matter in controversy in said suit exceeds one thousand dollars, besides costs; that this cause is one involving the construction and application of a statute of the United States, to wit, Act of June 4, 1897, 30 Statutes at Large, 36 (U. S. Comp. Stats. 1901, p. 1541), and in which the decree of the United States Circuit Court of Appeals for the Ninth Circuit is not final, and is a proper cause to be appealed to the Supreme Court of the United States.

The above-named appellant, conceiving himself aggrieved by the decree made and entered in the above-entitled court and cause on the fifth day of May, 1913, does hereby appeal from said decree to the United States Supreme Court, for the reasons specified in the assignment of errors, which is filed herewith.

WHEREFORE, the said appellant prays that an appeal be allowed him in the above-entitled cause, directing the clerk of the United States Circuit Court of Appeals for the Ninth Circuit to send the record and proceedings in said cause, with all things concerning the same, to the Supreme Court of the United States, in order that the errors complained of in the assignment of errors, herewith filed by the said appellant, may be reviewed, and, if error be found, corrected according to the laws and customs of the United States.

PLATT & PLATT,
Solicitors for Appellant.

[Endorsed]: Filed Jun. 2, 1913. Frank D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

[Title of Court and Cause.]

Assignment of Errors on Appeal to Supreme Court of the United States.

COMES NOW the appellant, A. D. Daniels, by Platt & Platt, his solicitors, and says that in the record and proceedings herein there is manifest error, and assigns error thereto as follows:

The United States Circuit Court of Appeals for the Ninth Circuit erred in affirming the decree of the United States District Court for the District of Oregon sustaining the demurrer of appellees to appellant's amended bill of complaint and dismissing appellant's amended bill of complaint:

First. Because the demurrer to appellant's amended bill of complaint admits that on the 8th day of February, 1904, the appellant made a valid forest lieu selection of the land, described in paragraph V of appellant's amended bill filed in said cause, under and in accordance with the provision of the Act of Congress of June 4, 1897, set forth in paragraph VI of appellant's amended bill of complaint.

Second. Because the demurrer to appellant's amended bill of complaint admits that the forest lieu selection of appellant, made upon the lands described in paragraph V of his amended bill of complaint, was prior in time and initiated a right and interest superior to the claim of any person or persons whomsoever, and particularly to that of the appellees.

Third. Because the demurrer to appellant's amended bill of complaint admits that the attempted

timber and stone entry of the appellee, Joseph W. Satterthwaite, was subsequent in time and inferior in right to the forest lieu selection of the appellant.

Fourth. Because the demurrer to appellant's amended bill of complaint admits that the forest lieu selections of appellant had been approved by the proper officers of the United States Government, which approval gave appellant a vested interest in the land so selected.

Fifth. Because the demurrer to appellant's amended bill of complaint admits that the alleged timber and stone entry of appellee, Joseph W. Satterthwaite, was made in contravention of the vested rights of the appellant herein to the land described in paragraph V of appellant's amended bill of complaint.

Sixth. Because the demurrer to appellant's amended bill of complaint admits that the appellant was equitably entitled to be protected in the forest lieu selection which he had made on the lands described in paragraph V of his amended bill of complaint as against the claims of the appellees, or any person or persons whatsoever.

Seventh. Because the demurrer to appellant's amended bill of complaint admits that the appellant was equitably entitled to have the appellees declared trustees, for the appellant, of the lands described in paragraph V of appellant's amended bill of complaint.

Eighth. Because the demurrer to appellant's amended bill of complaint admits that the Oregon school indemnity lists, covering the lands described

in paragraph V of appellant's amended bill of complaint, were relinquished simultaneously with the filing of the forest lieu selections by appellant.

Ninth. Because the demurrer to appellant's amended bill of complaint admits that the relinquishments of the Oregon school indemnity lists were filed on February 8, 1904.

Tenth. Because the demurrer admits that the appellee, Joseph W. Satterthwaite, prior to the issuance of patent, as alleged in paragraph XX of appellant's amended complaint, and without any consideration whatsoever therefor, and with full knowledge of the rights and equities of appellant herein, attempted to sell, transfer and convey all his right, title and interest, acquired under and by virtue of his said entry, to one John B. Mason, and said John B. Mason received the said pretended conveyance with like knowledge of the rights and equities of appellant herein; and said John B. Mason, without any consideration whatsoever moving to him, attempted to sell and transfer all his right, title and interest to the appellee, D. W. Dineen, which said attempted conveyance was received by said D. W. Dineen with full knowledge of the rights and equities of the appellant herein.

Eleventh. Because the appellant's amended bill of complaint stated a good cause of suit to which the appellees should have been required to file their answers or pleas.

Twelfth. Because the decree of said District Court should have been reversed and the demurrer to appellant's amended bill of complaint overruled.

WHEREFORE, the appellant prays that the decree of the United States Circuit Court of Appeals for the Ninth Circuit be reversed, and such directions be given that force and efficacy may inure to the appellant by reason of the cause of suit set up in his amended bill of complaint filed in said cause, and that a decree be entered in accordance with the prayer of appellant's amended bill of complaint.

PLATT & PLATT,
Solicitors for Appellant.

[Endorsed]: Filed Jun. 2, 1913. Frank D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

[Title of Court and Cause.]

Order Allowing Appeal to Supreme Court U. S. and Fixing Amount of Bond.

IT IS HEREBY ORDERED, that the appeal in the above-entitled case to the Supreme Court of the United States be, and the same is hereby, allowed as prayed.

AND IT IS FURTHER ORDERED that the amount of the appeal and supersedeas bond be, and the same hereby is, fixed at $500.00.

Dated this 3d day of June, 1913.

WM. B. GILBERT,
United States Circuit Judge, Ninth Circuit.

[Endorsed]: Filed Jun. 5, 1913. F. D. Monckton, Clerk.

[Title of Court and Cause.]

Bond on Appeal to Supreme Court U. S.

KNOW ALL MEN BY THESE PRESENTS, that we, A. D. Daniels, as principal, and Fidelity & Deposit Company of Maryland, a corporation, as surety, are held and firmly bound unto D. W. Dineen and Joseph W. Satterthwaite, in the full and just sum of Five Hundred Dollars ($500.00), lawful money of the United States of America, to be paid to the said D. W. Dineen and Joseph W. Satterthwaite, to which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, by these presents.

Sealed with our seals this 3d day of June, 1913.

WHEREAS, the appellant in the above-entitled suit is prosecuting an appeal to the United States Supreme Court to reverse the decree rendered and entered in said cause in the United States Circuit Court of Appeals for the Ninth Circuit on the 5th day of May, 1913;

NOW, THEREFORE, the condition of this obligation is such, that if the said appellant shall prosecute said appeal to effect, and answer all damages and costs if he fails to make said appeal good, then this

obligation shall be void; otherwise to remain in full force and effect.

A. D. DANIELS, [Seal]
By PLATT & PLATT,
His Solicitors of Record.

FIDELITY & DEPOSIT CO. OF MARYLAND. [Seal]
By ROBERT T. PLATT,
Attorney in Fact.
CHESTER W. HANSEN,
Agent.

Examined and approved this 3d day of June, 1913.

WM. B. GILBERT,
Circuit Judge for the Ninth Circuit.

[Endorsed]: Filed Jun. 5, 1913. F. D. Monckton, Clerk.

[Title of Court and Cause.]

Praecipe for Record on Appeal to Supreme Court of the United States.

To the Clerk of the said Court:

Sir: Please issue a certified Transcript of the Record on appeal to the Supreme Court of the United States in the above-entitled cause, consisting of the following:

1. Copy of Printed Transcript of Record on which case was heard in the Circuit Court of Appeals, to which will be added a copy of the following entitled papers that were filed, and of the Proceedings that were had in said Circuit Court of Appeals, viz.:

2. Order of Submission;

3. Opinion;

4. Decree;

5. Petition for Appeal to Supreme Court U. S.; and Order thereon;

6. Bond on Appeal to Supreme Court U. S.;

7. Assignment of Errors;

8. Praecipe for Certified Transcript of Record on Appeal to Supreme Court U. S.;

9. Certificate of Clerk U. S. C. C. A. to Transcript of Record on Appeal to Supreme Court U. S.; and

10. Original Citation on Appeal to Supreme Court U. S.

PLATT & PLATT,
Solicitors for Appellant.

United States of America,
Ninth Judicial Circuit,—ss.

Due service of the within Praecipe for Transcript on Appeal to Supreme Court U. S. is hereby acknowledged, and certified copy thereof received, at Portland, Oregon, this 7th day of June, 1913.

ANGELL & FISHER,
Of Solicitors for Appellees.

[Endorsed]: Filed Jun. 10, 1913. F. D. Monckton, Clerk.

In the United States Circuit Court of Appeals for the Ninth Circuit.

No. 2218.

A. D. DANIELS,

Appellant,

vs.

D. W. DINEEN and JOSEPH W. SATTERTHWAITE,

Appellees.

Certificate of Clerk U. S. Circuit Court of Appeals to Transcript of Record on Appeal to the Supreme Court of the United States.

I, Frank D. Monckton, as Clerk of the United States Circuit Court of Appeals for the Ninth Circuit, do hereby certify the foregoing seventy-four (74) pages, numbered from and including one (1) to and including seventy-four (74), to be a full, true and correct copy of the complete record in the above-entitled cause, prepared pursuant to praecipe therefor filed by counsel for the appellant, including all proceedings had therein, and including the Opinion and the Assignment of Errors filed therein, as the same remain on file and appear of record in my office, and that the same, together, constitute the Transcript of Record in said cause on appeal to the Supreme Court of the United States.

Attest my hand and the seal of the said the United States Circuit Court of Appeals for the Ninth Circuit, at the City of San Francisco, in the State of California, this twentieth day of June, A. D. 1913.

[Seal] F. D. MONCKTON,
Clerk.

In the United States Circuit Court of Appeals for the Ninth Circuit.

No. 2218.

A. D. DANIELS,

Appellant,

vs.

D. W. DINEEN and JOSEPH W. SATTERTHWAITE,

Appellees.

Citation on Appeal to Supreme Court U. S.

United States of America,
Ninth Circuit,—ss.

To D. W. Dineen and Joseph W. Satterthwaite, Greetings:

You, and each of you, are hereby cited and admonished to be and appear in the Supreme Court of the United States, at the City of Washington, in the District of Columbia, sixty (60) days after the date of this citation, pursuant to an appeal filed in the clerk's office of the United States Circuit Court of Appeals for the Ninth Circuit, wherein A. D. Daniels is appellant and you are appellees, to show cause, if any there be, why the decree rendered against said appellant, as in said appeal mentioned, should not be corrected, and why speedy justice should not be done the parties in that behalf.

WITNESS the Honorable W. B. GILBERT, Judge of the United States Circuit Court of Appeals for the Ninth Circuit, this 6th day of June, A. D. 1913.

WM. B. GILBERT,
Circuit Judge.

United States of America,
Ninth Judicial Circuit,—ss.

Due service of the within Citation to appellees is hereby acknowledged, and certified copy thereof received, at Portland, Oregon, this 7th day of June, 1913.

ANGELL & FISHER,
Of Solicitors for Appellees.

[Endorsed]: No. 2218. United States Circuit Court of Appeals for the Ninth Circuit. A. D. Daniels, Appellant, vs. D. W. Dineen and Joseph W. Satterthwaite, Appellees. Citation. Filed Jun. 10, 1913. F. D. Monckton, Clerk U. S. Circuit Court of Appeals for the Ninth Circuit.

[Endorsed on Cover.]

File No. 23,821.

U. S. Circuit Court Appeals, 9th Circuit.

Term No. 670.

A. D. DANIELS, Appellant,
vs.
D. W. DINEEN and JOSEPH W. SATTERTHWAITE.

Filed August 2d, 1913.

File No. 23,821.

DANIELS *v.* JOHNSTON.

SAME *v.* BUTLER.

SAME *v.* CONNOR.

SAME *v.* DINEEN.

APPEALS FROM THE CIRCUIT COURT OF APPEALS FOR THE NINTH CIRCUIT.

Nos. 234, 235, 236, 240. Argued April 21, 1915.—Decided June 1, 1915.

Decided on the authority of *Daniels* v. *Wagner*, *ante*, p. 547. 205 Fed. Rep. 235, reversed.

THE facts are stated in the opinion.

Mr. Harrison G. Platt, with whom *Mr. Robert Treat Platt* and *Mr. Hugh Montgomery* were on the brief, for appellant.

Mr. Homer D. Angell, with whom *Mr. William D. Fenton* and *Mr. Forrest S. Fisher* were on the brief, for appellees.

MR. CHIEF JUSTICE WHITE delivered the opinion of the court.

These four cases were embraced among the fifteen which were argued by the appellant in one brief. For the appellees, however, they were argued in an elaborate brief which presses upon our attention fifteen different propositions. Without going into detail, however, after giving them all careful examination we think none of them af-

fords ground for sustaining the action of the court below in maintaining the demurrers, first, because many of them rest upon contentions concerning the good faith of Daniels in purchasing from the State of Oregon the right to lands under the school indemnity lists which even if that subject were relevant to the issues here arising are without merit, since they but contradict and conflict with the finding by the Secretary of the Interior as to good faith, which finding we have pointed out in No. 239. Second, because other of the propositions but dispute in various forms of statement the finding of the Secretary that the applicant or applicants for the lieu entry or entries had complied with every requirement of the statute and regulations which were prerequisite to the allowance of the right which they claimed. And finally because the remainder perhaps not directly but certainly by indirection seek to establish as a matter of construction under the act of 1897 that the Department possessed the discretionary power which it asserted.

We have not included in this classification of the propositions the first three which advance the theory that because patents had been issued to the subordinate entrymen in Nos. 234 and 235, therefore there was no right on the part of the lieu entrymen to assail the patent by indirection by seeking to impose a trust upon the title which the patents represent. But this view is so directly in conflict with the well-settled principle on that subject that we deem it unnecessary to say more. *Lee* v. *Johnson*, 116 U. S. 48; *Duluth & Iron Range R. R.* v. *Roy*, 173 U. S. 587; *Burke* v. *Southern Pacific Co.*, 234 U. S. 669, 692.

For these reasons and those stated in *Daniels* v. *Wagner*, *ante*, p. 547, No. 239, the decrees sustaining the demurrers in these cases must be reversed and the cases remanded for further proceedings in accordance with the opinion in this and in *Daniels* v. *Wagner*, *ante*, p. 547.

Reversed.